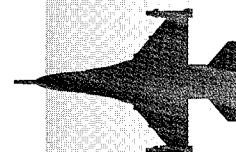
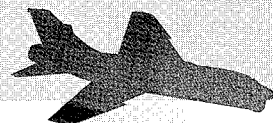
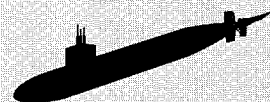
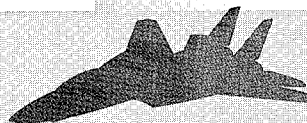
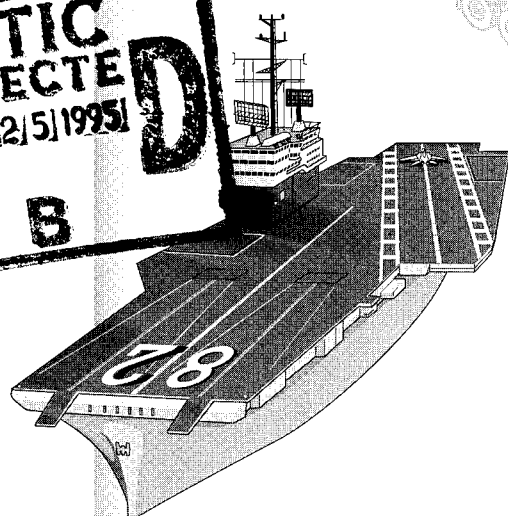
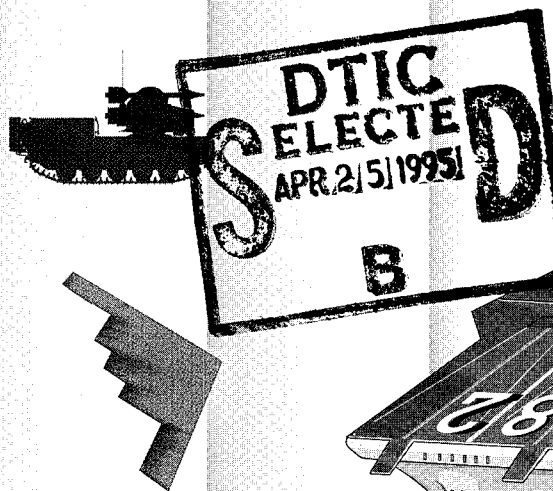
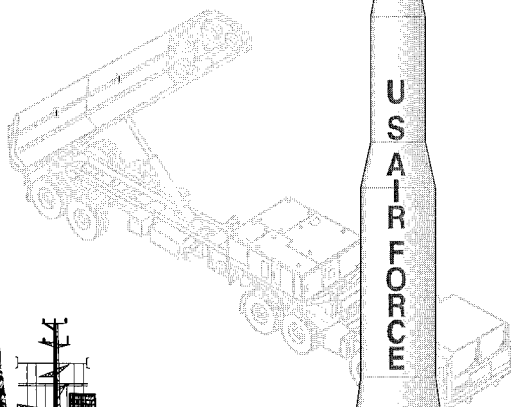




GLOSSARY

DEFENSE ACQUISITION ACRONYMS & TERMS

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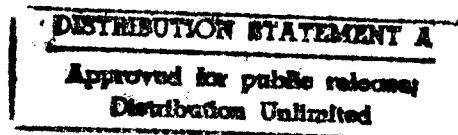
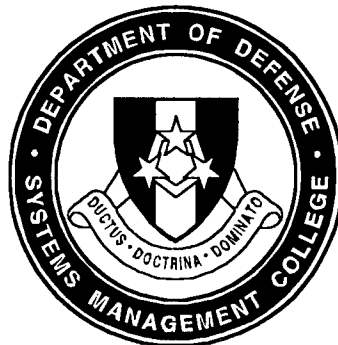


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GLOSSARY

DEFENSE ACQUISITION ACRONYMS AND TERMS



Department of Defense
Defense Systems Management College
Acquisition Policy Department
Fort Belvoir, Virginia

Sixth Edition
March 1995

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PREFACE

This Sixth Edition of *GLOSSARY: Defense Acquisition Acronyms and Terms* supersedes the former *GLOSSARY* published by the Defense Systems Management College in September 1991.

The *GLOSSARY: Defense Acquisition Acronyms and Terms* contains most acronyms, abbreviations and terms commonly used in the weapon systems acquisition process within the Department of Defense (DoD) and defense industries. New to this edition is Appendix C, International Terms.

This publication focuses on terms with generic DoD application and a few service unique terms that others might deal with, and thus require reference. It includes the most frequently used terms from the following areas:

- Acquisition Policy
- Contract Management
- Contractor Finance
- Cost Schedule Control
- Funds Management
- Logistics Management
- Manufacturing Management
- Program Management
- Software Management
- Systems Engineering
- Test and Evaluation
- International Cooperative Programs

Appendix A contains a listing of common abbreviations and acronyms. Appendix B contains definitions of terms used throughout the DoD acquisition community, including terms that have commonality between U.S. and allied acquisition programs. Appendix C contains definitions of terms unique to the international cooperative community.

While the *GLOSSARY* identifies and highlights many terms, it is not all-inclusive, particularly regarding the Services and other organizationally unique terms. For those, the reader must turn to service specific indices and/or local publications. The *GLOSSARY* contains some jargon and "buzzwords," but on the other hand does not attempt to be a "Dictionary of Pentagon-ese."

The *GLOSSARY* is published for use by students of the Defense Acquisition University (DAU), and others working on defense acquisition matters, including Congressional staffs, Pentagon and other headquarters staffs, weapon systems program managers and defense contractors.

Acronyms and abbreviations generally are capitalized for ease of reference. This does not imply they are capitalized in general usage. Readers should follow the style used by their own organizations.

Readers feedback and inputs are invited. Send them to the Chair, Acquisition Policy Department, DSMC, 9820 Belvoir Road, Fort Belvoir, Virginia 22060.

E. P. Vollmer
Chair, Acquisition
Policy Department

C. B. Cochrane
Acquisition Policy
Department, Editor

APPENDIX A

ACRONYMS AND ABBREVIATIONS

NOTE: The following acronyms and abbreviations are used by system acquisition managers within the Department of Defense. Those dealing with the management of the acquisition process are defined in Appendix B, Glossary of Terms; or Appendix C, International Terms. Those that refer to Service unique titles and organizations are not further defined.

A

A-109	OMB Circular A-109, Major Systems Acquisition
A SPEC	System Specification
Aa	Achieved Availability
AAE	Army Acquisition Executive
ACAP	Army Cost Analysis Paper
ACAT	Acquisition Category
ACC	Air Combat Command
ACI	Allocated Configuration Identification
ACMC	Assistant Commandant of the Marine Corps
ACNO	Assistant Chief of Naval Operations
ACO	Administrative Contracting Officer
ACS	Assistant Chief of Staff
ACS/I	Assistance Chief of Staff for Intelligence (Air Force)
ACSN	Advance Change Study Notice
ACTD	Advanced Concept Technology Demonstration
ACWP	Actual Cost of Work Performed
AD	Advanced Development
Ada	Department of Defense high order software language
ADM	Acquisition Decision Memorandum; Advanced Development Model
ADP	Automated Data Processing
ADPE	ADP Equipment
AE	Acquisition Executive
AECA	Arms Export Control Act (1976)
AFAE	Air Force Acquisition Executive
AFALC	Air Force Air Logistics Center
AFFTC	Air Force Flight Test Center
AFI	Air Force Instruction
AFIT	Air Force Institute of Technology
AFMC	Air Force Materiel Command
AFOTEC	Air Force Operational Test and Evaluation Center
AFP	Approval for Full Production (Navy)
AFPD	Air Force Policy Directive
AFR	Air Force Regulation
AFSARC	Air Force Systems Acquisition Review Council
AFTAC	Air Force Technical Applications Center
Ai	Inherent Availability
AI	Artificial intelligence

ALC	Air Logistics Center (AF)
ALMC	Army Logistics Management College
ALO	Authorized Level of Organization (Army)
ALP	Approval for Limited Production (Navy)
AMC	Army Materiel Command; Air Mobility Command
AMEC	Army Management Engineering College
AMP	Army Modernization Plan
AMCCOM	Armament, Munitions, & Chemical Command (Army)
AMSAA	Army Materiel Systems Analysis Agency
AMSDL	Acquisition Management Systems Data List
Ao	Operational Availability
AP	Acquisition Plan
AP/A/N/AF	Aircraft Procurement (Appropriations), Army/Navy/Air Force
APB	Acquisition Program Baseline
APL	Approved Parts List
APPN	Appropriation
AQAP	Allied Quality Assurance Provision
AR	Army Regulation
ARL	Army Research Laboratory
ARPA	Advanced Research Projects Agency
ASA(RDA)	Assistant Secretary of the Army (Research, Development and Acquisition)
ASAF(A)	Assistant Secretary of Air Force (Acquisition)
ASARC	Army Systems Acquisition Review Council
ASBCA	Armed Services Board of Contract Appeals
ASC	Aeronautical Systems Center (AF)
ASD(C ³ I)	Assistant Secretary of Defense (Command, Control, Communications and Intelligence)
ASD(LA)	Assistant Secretary of Defense (Legislative Affairs)
ASF	Army Stock Fund
ASN (M&RA)	Assistant Secretary of the Navy (Manpower and Reserve Affairs)
ASN (RD&A)	Assistant Secretary of the Navy (Research, Development and Acquisition)
ASR	Acquisition Strategy Report
ATC	Air Training Command
ATD	Advanced Technology Development/Demonstrator
ATE	Automatic Test Equipment
ATP	Acceptance Test Procedures
AUPC	Average Unit Procurement Cost
ATCOM	Aviation & Troop Command (Army)

B

B SPEC	Development Specification
B&P	Bid and Proposal
BA	Budget Authority; Budget Activity
BAA	Broad Agency Announcement
BAC	Budgeted Cost at Completion
BAFO	Best and Final Offer

BCE	Baseline Cost Estimate
BCM	Baseline Correlation Matrix (AF)
BCWP	Budgeted Cost for Work Performed
BCWS	Budgeted Cost for Work Scheduled
BDS	Business Development Specialist (SBA)
BES	Budget Estimate Submission
BFM	Business and Financial Manager
BIT	Built-In Test; Binary Digit
BITE	Built-In Test Equipment
BLUE \$	Navy Appropriation
BMD	Ballistic Missile Defense
BMDO	Ballistic Missile Defense Office
BMO	Ballistic Missile Office (AF)
BOA	Basic Ordering Agreement
BOIP	Basis of Issue Plan (Army)
BRICKBAT	Top Priority Program
BT	Builder's Trials (Ships)
BUR	Bottom-Up Review
BY	Budget Year; Base Year

C

C SPEC	Product Specification
C2	Command and Control
C ³ I	Command, Control, Communications and Intelligence
C4	Command, Control, Communications & Computers
CAD	Computer Aided Design
CAE	Component Acquisition Executive
CAIG	Cost Analysis Improvement Group (OSD)
CALS	Continuous Acquisition Lifecycle Support
CAM	Computer Aided Manufacturing
CAO	Contract Administration Office
CAP	Contractor Acquired Property
CAR	Command Assessment Review (AF); Configuration Audit Review
CARD	Cost Analysis Requirements Description
CAS	Cost Accounting Standard; Contract Administration Services
CAT	Computer Aided Testing
CATM	Computer Aided Technical Management
CBD	Commerce Business Daily
CBO	Congressional Budget Office
CBR	Chemical, Biological, Radiological; Concurrent Budget Resolution
CBTDEV	Combat Developments (Army/Marine Corps)
CCA	Component Cost Assessment
CCB	Configuration Control Board
CCDR	Contractor Cost Data Reporting
CCN	Contract Change Notice; Configuration Change Notice
CDR	Critical Design Review
CDRL	Contract Data Requirements List
CE, or CE/D	Current Estimate; Concept Exploration/Definition Phase

CECOM	Communications and Electronics Command (Army)
CEP	Circular Error Probable; Contract Estimating and Pricing
CER	Cost Estimating Relationship
CETS	Contractor Engineering and Technical Services
CFE	Contractor Furnished Equipment
CFEN	Contractor Furnished Equipment Notice
CFM	Contractor Financial Management; Contractor Furnished Material
CFSR	Contract Funds Status Report
CG	Chairman's Guidance (JCS); Commanding General
CI	Configuration Item
CICA	Competition in Contracting Act (1984)
CID	Commercial Item Description
CILOP	Conversion in Lieu of Procurement (Navy)
CINC	Commander-in-Chief
CIP	Component Improvement Program; Critical Intelligence Parameter
CITA	Commercial or Industrial-Type Activities.
CJCS	Chairman, Joint Chiefs of Staff
CM	Configuration Management; Contract Management
CMC	Commandant of the Marine Corps
CMP	Configuration Management Plan
CNA	Center for Naval Analysis
CNAD	Conference of NATO Armaments Directors
CNO	Chief of Naval Operations
CO	Contracting Officer; Change Order; Commanding Officer
COC	Certificate of Competency; Certification of Compliance
COCO	Contractor Owned/Contractor Operated (Facilities)
COD	Cooperative Opportunities Document
COEA	Cost and Operational Effectiveness Analysis
COMDT	Commandant
COMMINT	Communications Intelligence
COMOPTEVFOR	Commander, Operational Test and Evaluation Force (Navy)
COMPT	Comptroller
COR/COTR	Contracting Officer's (Technical) Representative
COTS	Commercial Off-The-Shelf
CPA	Chairman's Program Assessment (JCS)
CPAF	Cost-Plus-Award Fee
CPAM	CNO Program Assessment Memorandum (Navy)
CPAR	Contractor Performance Assessment Report (AF)
C/PD	Cost/Pricing Data
CPFF	Cost-Plus-Fixed Fee
CPIF	Cost-Plus-Incentive Fee
CPM	Critical Path Method; Contractor Performance Measurement
CPO/CCPO	(Consolidated) Civilian Personnel Office
CPR	Cost Performance Report
CPS	Competitive Prototyping Strategy
CPSR	Contract Procurement/Purchasing System Review
CR	Cost Reimbursement; Continuing Resolution
CRA	Continuing Resolution Authority
CRAG	Contractor Risk Assessment Guide
CRISD	Computer Resources Integrated Support Document

CRLCMP	Computer Resources Life Cycle Management Plan
CRWG	Computer Resource Working Group
CSA	Chief of Staff of the Army
CSAF	Chief of Staff of the Air Force
CSC	Conventional Systems Committee (OSD)
CSCI	Computer Software Configuration Item
C/SCSC	Cost/Schedule Control Systems Criteria
CSOM	Computer Software Operator's Manual
CSS	Contractor Support Services
C/SSR	Cost/Schedule Status Report
CTEA	Cost and Training Effectiveness Analysis (Army)
C-V-P	Cost-Volume-Profit
CWBS	Contract Work Breakdown Structure
CY	Calendar Year; Current Year

D

D LEVEL	Depot Level of Maintenance
D SPEC	Process Specification
DA	Department of the Army; Developing Agency/Activity
DAB	Defense Acquisition Board
DAC	Defense Acquisition Circular
DAE	Defense Acquisition Executive
DAES	Defense Acquisition Executive Summary
DAF	Department of the Air Force
DARC	Defense Acquisition Regulatory Council
DASC	Department of the Army Systems Coordinator
DASD	Deputy Assistant Secretary of Defense
DAU	Defense Acquisition University
DBDD	Data Base Design Document
DBOF	Defense Business Operations Fund
DCAA	Defense Contract Audit Agency
DCMAO	Defense Contract Management Area Operations
DCMC	Defense Contract Management Command
DCMR	Defense Contract Management Regions
DCNO	Deputy Chief of Naval Operations
DCS	Deputy Chief of Staff
DCSINT	Deputy Chief of Staff for Intelligence (Army)
DC/S (I&L)	Deputy Chief of Staff, Installations and Logistics (USMC)
DCS/LE	Deputy Chief of Staff, for Logistics Engineering (Air Force)
DCSLOG	Deputy Chief of Staff for Logistics (Army)
DCSOPS	Deputy Chief of Staff for Operations and Plans (Army)
DCSPER	Deputy Chief of Staff for Personnel (Army)
DDR&E	Director, Defense Research & Engineering (OSD)
DEM/VAL, D/V	Demonstration/Validation Phase
DEPSECDEF	Deputy Secretary of Defense
DESC	Defense Electronic Supply Center
DESCOM	Depot System Command (Army)
D&F	Determination and Findings

DFARS	DoD FAR Supplement
DGL	Distinguished Guest Lecturer
DIA	Defense Intelligence Agency
DIB	Defense Industrial Base
DID	Data Item Description
DIPEC	Defense Industrial Plant Equipment Center
DISA	Defense Information Systems Agency
DISAM	Defense Institute of Security Assistance Management
DLA	Defense Logistics Agency
DMA	Defense Mapping Agency
DML	Depot Maintenance Level
DMS	Defense Materials System
DNA	Defense Nuclear Agency
DoD	Department of Defense
DoDD	Department of Defense Directive
DoDI	Department of Defense Instruction
DODISS	Department of Defense Index of Specifications & Standards
DOE	Department of Energy
DON	Department of the Navy
DOT&E	Director, Operational Test and Evaluation (OSD)
DPA	Defense Production Act
DPESO	DoD Product Engineering Services Office
DPG	Defense Planning Guidance
DPM	Deputy Program Manager
DPML	Deputy Program Manager for Logistics
DPRB	Defense Planning and Resources Board (same as DRB)
DPRO	Defense Plant Representatives Office
DRB	Defense Resources Board (also called DPRB)
DRPM	Direct Reporting Program Manager(s)
DPS	Decision Package Sets; Defense Priorities System
DSAA	Defense Security Assistance Agency
DSB	Defense Science Board
DSMC	Defense Systems Management College
DSP	Defense Standardization Program
DSSP	Defense Standardization and Specification Program
DT&E	Developmental Test and Evaluation
DT	Developmental Testing
DTC	Design-to-Cost
DTIC	Defense Technical Information Center
DTLCC	Design to Life-Cycle-Cost
DTUPC	Design to Unit Production Cost

E

E3	Electromagnetic environmental effects.
E SPEC	Material Specification
EA	Evolutionary Acquisition
EAC	Estimated Cost at Completion

EAPROM	Electronically Alterable Programmable Read-Only Memory
EC	Electrical Combat
ECAC	Electromagnetic Compatibility Analysis Center
ECCM	Electronic Counter-Countermeasures
ECM	Electronic Countermeasures
ECP	Engineering Change Proposal
EDI	Electronic Data Interchange
EDM	Engineering Development Model
EDP/E	Electronic Data Processing/Equipment
EIA	Environmental Impact Assessment
EIR	Equipment Improvement Recommendation (Army)
EIS	Environmental Impact Statement
ELINT	Electronic Intelligence
EMC	Electromagnetic Compatibility
EMD	Engineering & Manufacturing Development Phase
EMI	Electromagnetic Interference
EMP	Electromagnetic Pulse
EOA	Early Operational Assessment
EOQ	Economic Ordering Quantity
EPA	Environmental Protection Agency; Extended Planning Annex; Economic Price Adjustment
EPROM	Eraseable Programmable Read-Only Memory
ESC	Electronics Systems Center (AF)
ETR	Estimated Time to Repair
EW	Electronic Warfare

F

F3/FFF	Form-Fit-Function
FAC	Federal Acquisition Circular
FACNET	Federal Acquisition Computer Network
FAR	Federal Acquisition Regulation
FAT	First Article Testing; Factory Acceptance Test
FC	Fixed Cost
FCA	Functional Configuration Audit
FCRC	Federal Contract Research Center
FCT	Foreign Comparative Testing
FDR	Final/Formal Design Review
FDTE	Force Development Testing and Experimentation (Army)
FFP	Firm Fixed Price
FFRDC	Federally Funded R&D Center
FFW	Failure-Free Warranty
FIT	Fault Isolation Tree
FLOT	Forward Line of Troops; Flotilla
FM	Financial Management
FMEA	Failure Mode and Effects Analysis
FMECA	Failure Mode and Effects Criticality Analysis
FMP	Fleet Modernization Plan (Navy)
FMS	Foreign Military Sales; Flexible Machining System

FOC	Full Operational Capability
FOIA	Freedom of Information Act
FOT&E	Follow-on Operational Test and Evaluation
FPAF	Fixed Price Award Fee
FPBD	Functional Plan Block Diagram
FPDS	Federal Procurement Data System
FPIF	Fixed Price Incentive (Firm Target)
FPIS	Fixed Price Incentive (Successive Target)
FRACAS	Failure Reporting, Analysis and Corrective Action System
FSA	Functional Systems Audit
FSCM	Federal Supply Code for Manufacturers
FSG	Federal Stock Group
FSM	Firmware Support Manual
FSN	Federal Stock Number
FSS	Federal Supply Schedule
FUE	First Unit Equipped
FY	Fiscal Year
FYDP	Future Years Defense Program

G

G&A	General and Administrative
GAO	General Accounting Office
GAT	Government Acceptance Test
GBL	Government Bill of Lading
GDP	Gross Domestic Product
GFAE	Government Furnished Aeronautical Equipment
GFE	Government Furnished Equipment
GFF	Government Furnished Facilities
GFI	Government Furnished Information
GFM	Government Furnished Material
GFP	Government Furnished Property
GFS	Government Furnished Software
GIDEP	Government Industry Data Exchange Program
GOCO	Government-Owned, Contractor-Operated (Facility)
GOGO	Government-Owned, Government-Operated (Facility)
GPETE	General Purpose Electronic Test Equipment
GREEN \$	Marine Corps Appropriations
GSA	General Services Administration
GSBCA	General Services Board of Contract Appeals
GSE	Ground Support Equipment

H

HAC	House Appropriations Committee
HARDMAN	Manpower Planning for Hardware (Navy/USMC)
HASC	House Armed Services Committee
HBC	House Budget Committee

HCA	Head of Contracting Agency /Activity
HFE	Human Factors Engineering
HOL	Higher Order Language
HQ	Headquarters
HQDA	Headquarters, Department of the Army
HQMC	Headquarters, Marine Corps
HSC	Human Systems Center (Air Force)
HSI	Human Systems Integration
H/W or HW	Hardware
HWCI	Hardware Configuration Item

I

ICA	Independent Cost Analysis
ICAF	Industrial College of the Armed Forces
ICD	Interface Control Drawing (or Document)
ICE	Independent Cost Estimate
ICG	Interactive Computerized Graphic
ICP	Inventory Control Point
ICWG	Interface Control Working Group
IDA	Institute for Defense Analysis
IDD	Interface Design Document
IE	Industrial Engineer
IES	Industrial Engineering Standard
IF	Industrial Fund
IFB	Invitation for Bid
IG	Inspector General
I&L	Installations and Logistics
ILS	Integrated Logistics Support
ILSMT	ILS Management Team
ILSP	ILS Plan
IM	Item Manager
IMP	Industrial Modernization Improvement Program
IML	Intermediate Maintenance Level
INF	Intermediate-Range Nuclear Forces
IOC	Initial Operational Capability
IOT&E	Initial Operational Test and Evaluation
IPCE	Independent Parametric Cost Estimate
IPD	Integrated Product Development
IFE	Industrial Plant Equipment
IPF	Initial Production Facilities
IPP	Industrial Preparedness Planning
IPPD	Integrated Product and Process Development
IPPT	Integrated Product and Process Team
IPR	In-Progress/Process Review
IPS	Integrated Program Summary
IPT	Integrated Product Team
IR&D	Independent Research and Development
IRS	Interface Requirements Specification

ISA	International Security Affairs (OSD); Instruction Set Architecture
ISP	Integrated Support Plan
ITP	Integrated Test Plan
IV&V	Independent Verification and Validation

J

J&A	Justification & Approval
JAMAC	Joint Aeronautical Materials Activity
JCS	Joint Chiefs of Staff
JIT	Just-in-Time
JLC	Joint Logistics Commanders
JMNA	Joint Military Net Assessment (JCS/OSD)
JOA	Joint Operating Agreement
JOP	Joint Operating Procedures
JPAR	Joint Program Assessment Report
JPO	Joint Program Office
JROC	Joint Requirements Oversight Council
JSCP	Joint Strategic Capabilities Plan
JSOR	Joint Services Operational Requirement
JSPS	Joint Strategic Planning System
JT&E	Joint Test and Evaluation

K

KO	Contracting Officer (Also CO)
KR/Kr	Contractor
KT	Contract

L

LA	Legislative Affairs; Legislative Assistant (Congress)
LBTS	Land Based Test Site
LCC	Life Cycle Cost
LCM	Life Cycle Management
LEM	Logistic Element Manager
LFT&E	Live Fire Test & Evaluation
L&L/LL	Legislative Liaison
LLT	Long Lead Time (material and/or funding)
LM	Logistics Management
LMI	Logistics Management Institute
LOA	Letter of Offer and Acceptance; Letter of Authorization.
LOE	Level of Effort; Letter of Evaluation (Air Force)
LOG	Logistics
LOGCAP	Logistics Command Assessment of Projects
LOGO	Limitation of Government Obligation
LOI	Letter of Instruction; Letter of Intent

LOR/A	Level of Repair/Analysis
LP	Limited Procurement
LRE	Latest Revised Estimate
LRG	Logistics Review Group (Navy)
LRIP	Low Rate Initial Production
LRP	Low Rate Production
LRRDAP	Long Range Research Development & Acquisition Plan (Army)
LRU	Line Replaceable Unit
LSA	Logistic Support Analysis
LSAR	Logistic Support Analysis Record
LSI	Large Scale Integration

M

MAA	Mission Area Analysis/Assessment
MAAG	Military Assistance Advisory Group
MACOM	Major Command (Army)
MAISRC	Major Automated Information System Review Council
MAJCOM	Major Command (AF)
MANPRINT	Manpower Personnel Integration (Army)
MANTECH/MT	Manufacturing Technology
MAR	Management Assessment Review; Monthly Activity Report (AF)
MARCORPS	U.S. Marine Corps
MARCORPSYSCOM	Marine Corps System Command
MATDEV	Materiel Developer (Army)
MATE	Modular Automatic Test Equipment
MC/A/N/AF/M	Military Construction (MILCON) (Appropriation), Army/Navy/Air Force/USMC
MCCDC	Marine Corps Combat Development Command
MCCR	Mission Critical Computer Resources
MCCS	Mission Critical Computer System
MCOTEA	Marine Corps Operational Test and Evaluation Agency
MCP	Mission Coordinating Paper; Military Construction Plan
MDA	Milestone Decision Authority
MDAP	Major Defense Acquisition Program
MDT	Mean Down Time
MER	Manpower Estimate Report
MFHBF	Mean Flight Hours Between Failure
MFP	Materiel Fielding Plan, Major Force Program
MICOM	Missile Command (Army)
MILCON	Military Construction (Appropriation)
MILPERS	Military Personnel (Appropriation)
MILSCAP	Military Standard Contract Administration Procedure
MILSPEC	Military Specification
MILSTAMP	Military Standard Transportation and Movement Procedures
MILSTD	Military Standard
MILSTEP	Military Supply and Transportation Evaluation Procedures
MILSTRAP	Military Standard Transaction Reporting and Accounting Procedures
MILSTRIP	Military Standard Requisitioning and Issue Procedures

MIP/A/N/AF	Missile Procurement (Appropriation), Army/Navy/Air Force
MIPR	Military Interdepartmental Purchase Request
MIS	Management Information System
MLA	Military Liaison Assistant (Congress)
MLDT	Mean Logistics Delay Time
MMT	Manufacturing Methods Technology
MND	Mission Need Determination
MNS	Mission Need Statement
MOA	Memorandum of Agreement
MOD	Modification; Ministry of Defense (Allied)
MOE	Measure of Effectiveness
MOP	Memorandum of Policy (JCS); Measure of Performance
MOU	Memorandum of Understanding
MP/A/N/AF/M	Military Personnel (Appropriation), Army/Navy/Air Force/USMC
MPT	Manpower, Personnel and Training
MS or M/S	Milestone
MSC	Major Subordinate Command
MSD	Material Support Date
MT/MANTECH	Manufacturing Technology
MTBF	Mean Time Between Failure
MTBMA	Mean Time Between Maintenance Actions
MTTR	Mean Time To Repair
MYP	Multi-year Procurement

N

NAC	North Atlantic Council; Naval Avionics Center
NAE	Navy Acquisition Executive
NAPR	NATO Armaments Planning Review
NATO	North Atlantic Treaty Organization
NAVAIR SYSCOM	Naval Air Systems Command
NAVFAC SYSCOM	Naval Facilities Engineering Command
NAVSEA SYSCOM	Naval Sea Systems Command
NAVSUP SYSCOM	Naval Supply Systems Command
NBC	Nuclear, Biological, Chemical
NBCC	Nuclear, Biological, and Chemical Contamination
NCA	National Command Authority
NDI	Non-Development Item
NDU	National Defense University
NMS	National Military Strategy
NSA	National Security Agency
NSC	National Security Council
NSCCA	Nuclear Safety Cross-Check Analysis
NSF	Navy Stock Fund
NTIS	National Technical Information Service (Department of Commerce)
NTP	Navy Training Plan
NWC	National War College; Naval War College; Nuclear Weapons Council; Naval Weapons Center
NWSC	Naval Weapons Support Center

O

OA	Obligation Authority; Operational Assessment
OB	Operating Budget
OBE	Overtaken By Events
OCLL	Office, Chief of Legislative Liaison (Army)
OCSA	Office of the Chief of Staff, U.S. Army
OCT	Operational Climatic Testing
OFPP	Office of Federal Procurement Policy (OMB)
OGC	Office of the General Counsel
OJT	On-the-Job Training
OLA	Office of Legislative Affairs (Navy)
O&M	Operations and Maintenance
OM/A/N/AF/M	Operation and Maintenance (Appropriation), Army/Navy/Air Force/USMC
OMB	Office of Management and Budget
ONR	Office of Naval Research
OP/A/N/AF	Other Procurement (Appropriation), Army/Navy/Air Force
OPEVAL	Operational Evaluation (Navy)
OPNAV	Office of the Chief of Naval Operations
OPM	Office of Personnel Management
OPR	Office of Primary Responsibility
OPSEC	Operations Security
OPTEC	Operational Test & Evaluation Command (ARMY)
OPTEVFOR	Operational Test and Evaluation Force (Navy)
OPNAVINST	OPNAV Instruction (Navy)
ORD	Operational Requirements Document
OR/SA	Operations Research/Systems Analysis
O&S	Operations and Support
OS	Operational Suitability
O/S	Operations and Support Phase
OSD	Office of the Secretary of Defense
OSIA	On-Site Inspection Agency
OT&E	Operational Test and Evaluation
OT	Operational Testing
OTA	Operational Test Agency
OTP	Outline Test Plan
OUSD(A&T)	Office of the Under Secretary of Defense (Acquisition & Technology)

P

P ³ I	Pre-Planned Product Improvement
P&A	Price and Availability
PA	Program Authorization (Air Force); Product Assurance
PA/A/N/AF	Procurement of Ammunition (PA) (Appropriation), Army/Navy/Air Force

PA&E	Program Analysis and Evaluation
PAPS	Periodic Armaments Planning System (NATO)
PAT&E	Production Acceptance Test and Evaluation
PB	President's Budget
PBD	Program Budget Decision
PCA	Physical Configuration Audit
PCO	Procuring Contracting Officer
PCR	Program Change Request; Procurement Center Representative
PD	Program Director (AF); See PROD/DEPL.
PDM	Program Decision Memorandum (OSD); Program Decision Meeting (Navy, Marine Corps)
PDP	Program Development Plan
PDR	Preliminary Design Review
PDSS	Post Deployment Software Support
PE	Planning Estimate; Program Element; Procurement Executive
PEM	Program Element Monitor (AF)
PEO	Program Executive Officer
PEP	Producibility Engineering and Planning
PERT	Program Evaluation Review Technique
PESO	Product Engineering Services Office
PHST	Packaging, Handling, Storage and Transportation
PI	Product Improvement
PIP	Product Improvement Proposal/Program
P&L	Profit and Loss
PL	Public Law
PM	Program Manager; Project Manager; Product Manager
PMCS	Program Management Control System
PMD	Program Management Document; Program Management Directive (AF)
PMDB	Program Management Decision Brief (DSMC)
PMJEG	Performance Measurement Joint Executive Group
PMO	Program Management Office
PMP	Program Management Plan
PMR	Program Management Review
POA&M	Plan of Actions and Milestones
POC	Point of Contact
POL	Petroleum, Oil and Lubricants
POM	Program Objectives Memorandum
POMCUS	Prepositioned (Prepositioning) Material Configured to Unit Sets
POP	Proof of Principle (Army)
PPBES	Planning, Programming, Budgeting and Execution System (Army)
PPBS	Planning, Programming and Budgeting System (DOD)
PPL	Provisioning Parts List
PPS	Post-Production Support
PR	Procurement Request
PRAT	Production Reliability Acceptance Test
PROD	Production
PROD/DEPL,P/D	Production and Deployment Phase
PROM	Programmable Read-Only Memory
PRR	Production Readiness Review

PSE	Peculiar Support Equipment
PSM	Professional Staff Member (Congress)
P&T	Personnel and Training
PWRMS	Prepositioned War Reserve Materiel Stocks
PY	Prior Year

Q

QA	Quality Assurance
QAR	Quality Assurance Representative
QBL	Qualified Bidders List
QC	Quality Control
QCR	Qualitative Construction Requirement
QPL	Qualified Products List
QQPRI	Qualitative and Quantitative Personnel Requirements Information (Army)
QRC	Quick Reaction Capability

R

RAD	Request for Authority to Develop an international agreement
RAM	Random Access Memory
RAM/RMA	Reliability, Availability, Maintainability
RAP	Resource Allocation Process
RCM	Requirements Correlation Matrix (AF)
R&D	Research and Development
RDA	Research, Development and Acquisition
RDT&E	Research, Development, Test and Evaluation
RDT&E/A/N/AF	RDT&E (Appropriation), Army/Navy/AF
RFB	Request for Bid
RFI	Ready for Issue; Request for Information
RFP	Request for Proposal
RFQ	Request for Quotation
RIW	Reliability Improvement Warranty
R&M	Reliability and Maintainability
ROI	Return on Investment
ROM	Read-Only Memory
RSI	Rationalization, Standardization and Interoperability
RTO	Responsible Test Organization

S

SA	Secretary of the Army; Systems Analysis
SAC	Senate Appropriations Committee
SADBUS	Small and Disadvantaged Business Utilization Specialist
SAE	Service Acquisition Executive
SAF	Secretary of the Air Force

SAG	Study Advisory Group (Army)
SAIE	Special Acceptance and Inspection Equipment
SAP	Special Access Program
SAR	Selected Acquisition Report; Subsequent Application Review; Safety Assessment Report; Special Access Required
SARC	Systems Acquisition Review Council
SASC	Senate Armed Services Committee
SBA	Small Business Administration
SBC	Senate Budget Committee
SBIR	Small Business Innovation Research Program
SCBCA	Small Claims Board of Contract Appeals
SCCB	Software Configuration Control Board
SCIB	Ships Characteristics and Improvement Board (Navy)
SCMP	Software Configuration Management Plan
SCN	Specification Change Notice; Ship Construction and Conversion (Appropriation) (Navy); Software Change Notice
SDB	Small Disadvantaged Business Program
SDBUP	Small Disadvantaged Business Utilization Program
SDL	Software Development Library/Laboratory
SDP	Software Development Plan
SDR	System Design Review; Software Design Review
SE	Systems Engineering
SECDEF	Secretary of Defense
SECNAV	Secretary of the Navy
SECNAVINST	Secretary of the Navy Instruction
SEM	Standard Equipment Modules (Navy); Systems Engineering Management
SEMP	System Engineering Management Plan
SEP	System Engineering Process
SERD	Support Equipment Requirements Document
SETA	Systems Engineering & Technical Assistance
SHAPM	Ship Acquisition Project Manager (Navy)
SIC	Standard Industrial Classification
SIGINT	Signal Intelligence
SIGSEC	Signal Security
SISMS	Standard Integrated Support Management System
SLEP	Service Life Extension Program
SMC	Space and Missile System Center (AF)
SMD	Standardized Military Drawing Program
SMI	Soldier-Machine Interface (Army)
SMIP	Spares Management Improvement Program
SOF	Special Operations Forces
SOP	Standing/Standard Operating Procedure
SOW	Statement of Work
SPAWAR	Space & Naval Warfare Systems Command/SPAWARSYSCOM
SPC	Statistical Process Control
SPE	Senior Procurement Executive
SPEC	Specification
SPM	System Program Manager (AF); Software Programmer's Manual
SPO	System Program/Project Office (AF)

SPS	Software Product Specification
SQEP	Software Quality Evaluation Plan
SRA	Shop Replaceable Assembly
SRR	System Requirements Review
SRS	Software Requirements Specification
SRU	Subassembly Repairable Unit/Shop Replaceable Unit
SSA	Source Selection Authority; Software Support Agency
SSAC	Source Selection Advisory Council
SSC	Strategic Systems Committee (OSD)
SSEB	Source Selection Evaluation Board
SSG	Special Study Group (Army)
SSP	Source Selection Plan
SSPM	Software Standards and Procedures Manual
SSR	Software Specification Review
SSS	System/Segment Specification
SSWG	System Safety Working Group
S&T	Science & Technology
ST	Special Tooling
STANAG	Standardization Agreement (NATO)
STAR	System Threat Assessment Report
STD	Standard; Software Test Description
STE	Special Test Equipment
STLDD	Software Top-Level Design Document
STP	Software Test Plan
STPR	Software Test Procedures
STR	Software Test Report
SUM	Software User's Manual
SUPSHIPS	Superintendent of Shipbuilding
S/V	Survivability/Vulnerability
SVR	Shop Visit Rate
SW or S/W	Software
SYSKOM	Systems Command (NAVY)
SYSTO	Systems Officer (AF)

T

TAAF	Test, Analyze and Fix
TACOM	Tank Automotive Command (Army)
TAD	Technology Area Descriptions
TBD	To be determined/developed
TC	Type Classification
TCO	Termination Contracting Officer
TD	Test Director; Technical Data; Technical Director
TDP	Test Design Plan; Technical Data Package
T&E	Test and Evaluation
TE	Test Equipment
TECHEVAL	Technical Evaluation
TECHMOD	Technology Modernization
TECOM	Test and Evaluation Command (Army)

TEMP	Test and Evaluation Master Plan
TEMSE	Technical & Managerial Support Environment
TIARA	Tactical Intelligence and Related Activities
TIM	Technical Interchange Meeting
TIWG	Test Integration Working Group (Army)
TLS	Time Line Sheet
TM	Technical Manual; Technical Management
TO	Technical Order
TOA	Total Obligation Authority; Table of Allowance
TPM	Technical Performance Measurement
TPS	Test Package Set/Test Program Set
TPWG	Test Planning Working Group (Air Force)
TQM	Total Quality Management
TRACE	Total Risk Assessing Cost Estimating
TRADOC	Training and Doctrine Command (Army)
TRR	Test Readiness Review
TSIR	Total System Integration Responsibility
TSM	TRADOC System Manager
TSPR	Total System Performance Responsibility
TTF&T	Technology Transfer, Fabrication and Test

U

UDF	Unit Development Folder
UE	Unit Equipment
UI	Unit of Issue
UNK/UNKS	Unknown Unknowns
UNSECNAV	Under Secretary of the Navy
UPS	Uniform Procurement System
USA	U.S. Army; Under Secretary of the Army
USAF	U.S. Air Force
USASAC	U.S. Army Security Assistance Center
U.S.C. (or USC)	United States Code
USD(A&T)	Under Secretary of Defense (Acquisition & Technology)
USD(C)	Under Secretary of Defense (Comptroller)
USD(P&R)	Under Secretary of Defense (Personnel & Readiness)
USD(P)	Under Secretary of Defense (Policy)
USG	U.S. Government
USMC	U.S. Marine Corps
USN	U.S. Navy
USSOCOM	United States Special Operations Command
UUT	Unit Under Test

V

VAMOSC	Visibility & Management of O&S Costs
VC	Variable Cost
VDD	Version Description Document

VCNO	Vice Chief of Naval Operations (Navy)
VCSA	Vice Chief of Staff (Army)
VCSAF	Vice Chief of Staff (AF)
VCJCS	Vice Chairman, Joint Chiefs of Staff
VE	Value Engineering
VECP	Value Engineering Change Proposal
VHSIC	Very High Speed Integrated Circuit
VLSI	Very Large Scale Integration

W

WBS	Work Breakdown Structure
WP/N/AF	Weapons Procurement (Appropriation), Navy/AF
WPI	Wholesale Price Index
WSIG	Weapon Support Improvement Group (OSD)
WSMP	Weapon System Master Plan (AF)
WTCV	Weapons and Tracked Combat Vehicles (Appropriation)(Army)

Other

8A	Section 8A of the Small Business Act pertaining to minority and other disadvantaged business
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APPENDIX B

GLOSSARY OF TERMS

A

Acceptance The act of an authorized representative of the government by which the government, for itself, or as agent of another, assumes ownership of existing identified supplies tendered, or approves specific services rendered, as partial or complete performance of the contract on the part of the contractor.

Accounts Payable Amounts owed on open account, i.e., materials and services received, wages earned, and fringe benefits unpaid.

Accounts Receivable Amounts due from debtors on open accounts. Under appropriated funds, amounts due from debtors for reimbursements earned or for appropriation refunds due.

Accrual Accounting The basis of accounting whereby revenue is recognized when it is realized and when expenses are recognized when incurred, without regard to time of receipt or payment of cash.

Acquisition The conceptualization, initiation, design, development, test, contracting, production, deployment, and logistic support, modification, and disposal of weapons and other systems, supplies, or services (including construction) to satisfy DoD needs, intended for use in or in support of military missions.

Acquisition Category (ACAT) Categories established to facilitate decentralized decision making and execution and compliance with statutorily imposed requirements. The categories determine the level of review, decision authority, and applicable procedures.

1. Acquisition Category I. These are "major defense acquisition programs." They have unique statutorily imposed acquisition strategy, execution, and reporting requirements. Milestone decision authority for these programs is the:

(a) Under Secretary of Defense for Acquisition -- acquisition category I D -- or, if delegated by the Under Secretary, the

(b) Cognizant DoD Component Head -- acquisition category I C -- or, if delegated by the Component Head, the Component Acquisition Executive.

2. Acquisition Category II. Milestone decision authority for these programs is delegated no lower than the DoD Component Acquisition Executive. They have unique statutorily imposed requirements in the test and evaluation area.

3. Acquisition Category III and IV. The additional distinction of acquisition categories III and IV allow DoD Component Heads to delegate milestone decision authority for these programs to the lowest level deemed appropriate within their respective organization.

Acquisition Decision Memorandum (ADM) A memorandum signed by the milestone decision authority that documents decisions made as the result of a milestone decision review or in-process review.

Acquisition Environment Internal and external factors that impact on, and help shape, every defense acquisition program, create an environment no one person controls. Often, these factors work at opposite extremes, and contradict each other. These factors include political forces, policies, regulations, reactions to unanticipated requirements, and emergencies.

Acquisition Life Cycle The life of an acquisition program consists of phases, each preceded by a milestone or other decision point, during which a system goes through research, development, test and evaluation and production. Currently, the phases are: (1) Concept Exploration and Definition, (2) Demonstration and Validation, (3) Engineering and Manufacturing Development, (4) Production and Deployment, and (5) Operations and Support.

Acquisition Logistics The process of systematically identifying and assessing logistics alternatives, analyzing and resolving logistics deficiencies, and managing integrated logistic support throughout the acquisition process.

Acquisition Management Management of all or any of the activities within the broad spectrum of "acquisition," as defined above. Also includes management of the training of the defense acquisition workforce, and management activities in support of PPBS for defense acquisition systems/programs. For acquisition programs this term is synonymous with program management.

Acquisition Managers Persons responsible at different levels for some activity of developing, producing and fielding a weapon system. Includes senior level managers responsible for ultimate decisions, program managers, and commodity or functional area managers.

Acquisition Plan (AP) A formal written document reflecting the specific actions necessary to execute the approach established in the approved acquisition strategy and guiding contractual implementation. (see Federal acquisition Regulation Subpart 7.1 and Defense Federal Acquisition Regulation Supplement Subpart 207.1)

Acquisition Planning The process by which the efforts of all personnel responsible for an acquisition are coordinated and integrated through a comprehensive plan for fulfilling the need in a timely manner and at a reasonable cost. It is performed throughout the life cycle and includes developing an overall acquisition strategy for managing the acquisition and a written acquisition plan.

Acquisition Program A directed, funded effort that is designed to provide a new or improved materiel capability in response to a validated need.

Acquisition Program Baseline (APB) Acquisition program baselines embody the cost, schedule, and performance objectives for the program. The APB is approved by the milestone decision authority at milestone reviews as follows: The Concept Baseline is approved at the decision to enter Demonstration and Validation; the Development Baseline is approved at the decision to enter Engineering and Manufacturing Development; and the Production Baseline is approved at the decision for Production and Deployment. Each baseline must contain objectives for key cost, schedule, and performance parameters. Performance parameters include supportability. Objectives are accompanied by minimum acceptable requirements known as thresholds. Key parameters are those that if the thresholds are not met, the milestone decision authority would require a reevaluation of alternative concepts or design approaches. Once signed by the milestone decision authority, acquisition program baselines may only be changed at subsequent milestone or program reviews or, with the approval of the milestone decision authority, as a response to an unrecoverable baseline deviation.

Acquisition Strategy A business and technical management approach designed to achieve program objectives within specified resource constraints. It is the framework for planning, directing, and managing a program. It provides a master schedule for research, development, test, production, fielding and other activities essential for program success, and for formulating functional plans, and strategies.

Acquisition Strategy Report (ASR) Describes the acquisition approach to include streamlining, sources, competition, and contract types throughout the period from beginning of Demonstration and Validation, through end of production.

Acquisition Streamlining Any effort that results in more efficient and effective use of resources to design and develop, or produce quality systems. This includes ensuring that only necessary and cost-effective requirements are included, at the most appropriate time in the acquisition cycle, in solicitations and resulting contracts for the design, development, and production of new systems, or for modifications to existing systems that involve redesign of systems or subsystems.

Act A bill or measure after it passes one or both Houses of Congress. Also denotes a law in place.

Action Officer The person responsible for taking action on a project, for coordination of all staff activities, and assembling the action package for decision by higher authority.

Active Repair Time That portion of down time during which one or more technicians are working on the system to effect a repair. This time includes preparation time, fault location time, fault correction time, and final check-out time for the system.

Activity A task or measurable amount of work to complete a job or part of a project.

Actual Cost A cost sustained in fact, on the basis of costs incurred, as distinguished from forecasted or estimated costs.

Actual Cost of Work Performed (ACWP) The costs actually incurred and recorded in accomplishing the work performed within a given time period.

Actual Dollars Expenditures as recorded in prior time periods.

Actual Time Time taken by a workman to complete a task or an element of a task.

Administrative Contracting Officer (ACO) The government contracting officer located at a contract administrative office who is assigned the responsibility for administration of Government contracts.

Administrative Time The portion of down time not included under active repair time and logistics time.

Advance Buy Funding That part of the procurement funding for an end item that is separately identified in an earlier year as an advance procurement.

Advance Funding Budget authority provided in an appropriation act that allows funds to be committed to a specific purpose (obligated) and spent during that fiscal year even though the appropriation actually is for the next fiscal year. Advance funding generally is used to avoid requests for supplemental appropriations for entitlement programs late in a fiscal year, when the appropriations for the current fiscal year are too low.

Advance Procurement Authority provided in an appropriations act to obligate and disburse during a fiscal year from the succeeding year's appropriation. The funds are added to the budget authority for the fiscal year and deducted from the budget authority of the succeeding fiscal year. Used in major acquisition programs for advance procurement of components whose long-leadtime require purchase early in order to reduce the overall procurement leadtime of the major end item. Advance procurement of long lead components is an exception to the DoD "full funding" policy.

Advanced Concept Technology Demonstrator (ACTD) New category of advanced technology demonstrator (ATD). Objectives are to gain understanding of and evaluate military utility before committing to acquisition; develop corresponding concepts of operation and doctrine; and rapidly provide operational capability. Variation of "fieldable prototype". Funding is programmed to support 2 years in the field.

Advanced Development (6.3) A funding category including all projects which have moved into the development of hardware for demonstration, proof of technology and/or technological trade-off purposes.

Advanced Technology Demonstration (ATD) Projects within the 6.3 (advanced development) program which are intended to: Demonstrate technical feasibility and maturity, and reduce technical risks and uncertainties at the relatively low costs of informal processes.

Advocates (1) OSD and services overseer whose job is to encourage, monitor, enforce, and report progress in attaining certain disciplines and goals. Includes advocates for competition, streamlining, specifications and other topical issues. (2) Persons or organizations actively supporting and "selling" an acquisition program. (3) See Program Advocate.

Affordability A determination that the life-cycle cost of an acquisition program is in consonance with the long-range investment and force structure plans of the DoD or individual DoD Components.

Agency Acquisition Executive See definition for DoD Component Acquisition Executive.

Aggregates The totals relating to the whole budget rather than a particular function, program, or line item. The seven budget aggregates are budget authority, outlays, revenues, deficit/surplus, level of public debt, new direct loan obligations, and new guaranteed loan commitments.

Allocable Cost A cost is allocable to a Government contract if it: (a) is incurred specifically for the contract; (b) benefits both the contract and other work, and can be distributed to them in reasonable proportion to the benefits received; or (c) is necessary to the overall operation of the business, although a direct relationship to any particular cost objective cannot be shown.

Allocated Baseline The initially approved documentation describing a configuration item's (CI) functional and interface characteristics that are allocated from those of a higher level CI; interface requirements with other CIs; design restraints; and verification required to demonstrate the achievement of specified functional and interface characteristics. Consists of the development specifications (see Type B Specification) that define functional requirements for each CI. Normally established at the preliminary design review (PDR), but no later than the critical design review (CDR).

Allocated Budget See Total Allocated Budget.

Allocated Configuration Identification Currently approved performance-oriented specifications governing the development of configuration items that are a part of a higher level configuration item (CI), in which each specification: (1) defines the functional characteristics that are allocated from those of the higher level CI; (2) establishes the tests required to demonstrate achievement of its allocated functional characteristics; (3) delineates necessary interface requirements with other CIs; and (4) establishes design constraints, if any, such as component/part standardization, use of inventory items and integrated logistic support requirements.

Allocation An authorization by designated official of a DoD component making funds available within a prescribed amount to an operating agency for the purpose of making allotments (i.e., the first subdivision of an apportionment).

Allotment An authorization by either the agency head or another authorized employee to subordinates to incur obligations within a specific amount. Each agency makes allotments pursuant to specific procedures it establishes within the general requirements of OMB Circular A-34. The amount allotted cannot exceed the amount apportioned. (see apportionment)

Allowance A time increment included in the standard time for an operation to compensate the workman for production lost due to fatigue and normally expected interruptions, such as personal and unavoidable delays.

Analog Cost Estimate An estimate of costs based on historical data of a similar (analog) item.

Analysis of Manufacturing The review and evaluation of assembly and fabrication processes to determine how effectively and efficiently the contractor's manufacturing operations have been planned or accomplished.

Anti-Deficiency Act The salient features of this Act include: (a) Prohibitions against authorizing or incurring obligations or expenditures in excess of amounts apportioned by the Office of Management and Budget (OMB) or in excess of amounts permitted by agency regulations; (b) establishment of procedures for determining the responsibility for violations and for reporting violations to the President, through OMB and to the Congress.

Appeal Process A request for reconsideration of an action taken to adjust, reduce, or delete funding for an item during the congressional review of the defense budget (authorization and appropriation).

Application The process of selecting requirements that are pertinent and cost effective for the particular materiel acquisition and contractually invoking them at the most advantageous times in the acquisition cycle.

Apportioned Effort Effort that by itself is not readily divisible into short-span work packages but which is related in direct proportion to measured effort.

Apportionment The action by which the Office of Management and Budget (OMB) distributes amounts available for obligation in an appropriation account. The distribution makes amounts available on the basis of specified time periods (usually quarters), programs, activities, projects, objects, or combinations thereof. The apportionment system is intended to achieve an effective and orderly use of funds. The amounts so apportioned limit the obligations that may be incurred. (see Resource Allocation Process)

Appropriation An authorization by an act of Congress that permits Federal agencies to incur obligations and make payments from the Treasury. An appropriation usually follows enactment of authorizing legislation. An appropriation act is the most common means of providing budget authority (see Budget Authority). Appropriations do not represent cash actually set aside in the Treasury; they represent limitations of amounts which agencies may obligate during a specified time period.

Appropriation Limitation An amount fixed by Congress within an appropriation which cannot be exceeded.

Appropriators (Appropriations Committees) The Senate and House Appropriations Committees. They originate legislation granting funding for federal agencies and also have oversight authority to monitor how funds are spent.

Approved Programs The technical and operational, schedule, and quantity requirements reflected in the latest approved USD(A&T) ADM, or other document reflecting a more current decision of the USD(A&T) or other appropriate approval authority (such as the President's budget, the FYDP, and supporting documentation).

Approved Project A cooperative project under 22 USC 2767 that has DoD Component approval for implementation, or a cooperative R&D project under 10 USC 2350a that has OSD approval for implementation, before any formal agreements have been negotiated or concluded and funds are released.

Architecture The design and interconnection of the main components of a hardware/software system.

Armaments Weapons with lethal capability (e.g., missiles, rifles.)

Armed Services Board of Contract Appeals (ASBCA) Board established to act as the authorized representative of SECDEF or department Secretaries, in deciding appeals under the disputes clause of government contracts.

Armed Services Committees (Senate and House) (SASC and HASC) Standing committees which authorize DoD programs and conduct oversight.

Arms Export Control Board An interagency board, chaired by the Under Secretary of State for Security Assistance, Science and Technology, that serves to advise the Secretary of State on matters relating to security assistance program levels and arms transfer policies.

Arms Transfer Defense articles and defense services (arms, ammunition, and implements of war, including components, training, manufacturing licenses, technical assistance, related technical data) provided by the government under the Foreign Assistance Act of 1961, as amended.

Assembly Chart Portrays the proposed sequence of assembly operations constituting the assembly process in the production of goods that are composed of many components.

Atmospheric/Off the Wall Estimate Wild guess (usually a cost estimate) based on experience of the estimator, but without confidence.

Audit Systematic examination of records and documents to determine: (1) adequacy and effectiveness of budgeting, accounting, financial and related policies and procedures; (2) compliance with applicable statutes, regulations, policies, and prescribed procedures; (3) reliability, accuracy and completeness of financial and administrative records and reports; and (4) the extent to which funds and other resources are properly protected and effectively used.

Auditor Represents the cognizant audit office designated by the Defense Contract Audit Agency (DCAA) or Service audit activities for conducting audit reviews of the contractor's accounting system policies and procedures for compliance with the criteria.

Authority For Systems Acquisition The framework granting authority for DoD to develop, produce and field weapon systems emanates from four sources. They are the law (legal basis), executive direction (orders), OMB Circular A-109 and the Federal Acquisition Regulation (FAR). The framework guides and grants authority, enables the DoD to conduct business, and is the apparatus for decision-making and execution.

Authorization An act of Congress which permits a federal program or activity to begin or continue from year to year. It sets limits on funds that can be appropriated, but does not grant funding which must be provided by a separate Congressional appropriation.

Authorized Work That effort which has been definitized and is on contract, plus that which definitized contract costs have not been agreed to but for which written authorization has been received.

Authorizers (Authorization Committees) The standing committees of Congress which have legislative authority, authorize programs, and conduct oversight over agency programs. For DoD: Senate and House Armed Services Committees.

Authorizing Legislation Legislation enacted by Congress to permit establishment or continuation of a Federal program or agency. Authorizing legislation is normally required before enactment of budget authority.

Automatic Data Processing Equipment (1) A machine, or a group of inter-connected machines, consisting of input, storage, computing, control, and output services, which uses electronic circuitry in the main computing element to perform arithmetic and/or logical operations automatically by means of internally stored or externally controlled programmed instructions. (2) Data processing equipment which directly supports or services central computer operations.

Automatic Test Equipment Any automated device used for the express purpose of testing prime equipment; usually external to the prime device (e.g., support equipment).

Availability A measure of the degree to which an item is in the operable and committable state at the start of a mission when the mission is called for at an unknown (random) time.

Average Unit Procurement Cost (AUPC) Objectives Design to average unit procurement cost objectives, expressed in constant dollars, are established for Milestone I, Concept Demonstration Approval. AUPC includes recurring flyaway, rollaway, sailaway costs (including nonrecurring production costs) adjusted for data, training, support equipment, and initial spares costs.

Avoidable Delay Any time during an assigned work period which is within the control of the workman and which he uses for idling or for doing things unnecessary to the performance of the operation. Such time does not include allowance for personal requirements, fatigue, and unavoidable delays.

Award Notification to bidder of acceptance of bid.

B

Backfitting The addition of new type equipment to the configuration of operating systems or the installation of equipment in production systems which have been delivered without such equipment. Also called retrofit.

Backlog That known work input which is beyond the workload capability of an organization or segment or an organization for any given period of time.

Balanced Line A series of progressive related operations with approximately equal standard times for each, arranged so that work flows at a desired steady rate from one operation to the next.

Ball Park Estimate Very rough estimate (usually cost estimate), but with some knowledge and confidence. ("Somewhere in the ball park")

Bank A planned accumulation of work-in-process to permit reasonable fluctuations in performance times of coordinated or associated operations.

Bar Chart The detailed graphical working plan of a part providing sequence and time for the job scheduled ahead and progress to date.

Base Program The program described in the FYDP base file, updated to conform to the budget presented to Congress. It constitutes the base from which all current-year program changes are considered.

Base Year A reference period which determines a fixed price level for comparison in economic escalation calculations and cost estimates. The price level index for the base year is 1.000.

Baseline Defined quantity or quality used as starting point for subsequent efforts and progress measurement. Can be a technical cost or schedule baseline. See Performance Measurement Baseline and Acquisition Program Baseline.

Baseline Comparison System A current operational system, or a composite of current operational subsystems, which most closely represents the design, operational, and support characteristics of the new system under development.

Baseline Cost Estimate (BCE) A detailed estimate of acquisition and ownership costs normally required for high level decisions. This estimate is performed early in the program and serves as the basepoint for all subsequent tracking and auditing purposes.

Baseline Description Formal agreement between the milestone decision authority, the acquisition executive, the Program Executive Officer, and the program manager that summarizes the cost, schedule, and performance requirements critical to program success.

Baselining A process whereby all managers concerned collectively agree on the specific description of the program, requirements, and funding, and make a commitment to manage the program along those guidelines.

Basic Ordering Agreement (BOA) An instrument of understanding (not a contract) executed between a procuring activity and a contractor which sets forth negotiated contract clauses which will be applicable to future procurements entered into between the parties during the term of the agreement. It includes as specific as possible a description of the supplies or services and a description of the method for determination of prices.

Basic Research Efforts typically performed in laboratories as experiments to explore the basic laws of science and their potential application to DoD weapon systems or technology development. Funded under the "6.1" activity of the RDT&E appropriation.

Basic Scientific and Technical Information Information relating to fundamental theories, designs, and data for purely theoretical or experimental investigation into possible military application of the knowledge. It does not include manufacturing knowledge or information on operational or development systems.

Bells and Whistles As the system proceeds through development, often requirements for it change, sometimes causing the user or developer to want to add to its mission--give it more things to do (i.e., more firepower or armor, another radar, etc.). These new responsibilities or requirements if nice to have, but not necessary to ensure mission performance, are sometimes called bells and whistles.

Best and Final Offer (BAFO) Upon completion of discussions during a conventional source selection, contracting officers issue to offerors still within the competitive range a request for best and final offers (BAFO). Following evaluation of BAFOs the Source Selection Authority selects that source whose BAFO is most advantageous to the Government.

Biennial Budget The FY 1986 DoD Authorization Act required the submission of two-year budgets for the DoD beginning with FY 1988/1989. The DoD has institutionalized a biennial cycle for the Planning, Programming, and Budget System (PPBS). A biennial budget, as currently structured, represents program budget estimates for a two-year period in which fiscal year requirements remain separate and distinct. Congress, however, still appropriates annual budget authority.

Brassboard Configuration An experimental device (or group of devices) used to determine feasibility and to develop technical and operational data. It normally will be a model sufficiently hardened for use outside of laboratory environments to demonstrate the technical and operational principles of immediate interest. It may resemble the end item, but is not intended for use as the end item.

Breadboard Configuration An experimental device (or group of devices) used to determine feasibility and to develop technical data. It normally will be configured for laboratory use only to demonstrate the technical principles of immediate interest. It may not resemble the end item and is not intended for use as the projected end item.

Break-even Analysis (1) The study of cost-volume-profit relationships; or, (2) Analysis of proposed procurement and facilitization to compare potential cost of establishing a second source with potential savings due to competitive pressure from the second source.

Break-even Point (1) In business enterprise, the point at which revenues from sales exactly equal total incurred cost, i.e., $\text{Revenues} = \text{Variable Costs} + \text{Fixed Costs}$. (2) In decision-making such as make versus buy, lease versus buy, etc., it is the point of indifference, meaning that level of activity where either method results in exactly the same cost. These type of break-even decisions often involve making assumptions about levels of activity such as number of units needed.

Breakout Execution of acquisition strategy to convert some parts or systems components from contractor furnished to government furnished. Rather than having prime contractor provide from its sources, government goes out to industry direct and procures items.

Budget A comprehensive financial plan for the Federal Government, encompassing the totality of Federal receipts and outlays (expenditures). Budget documents routinely include the on-budget and off-budget amounts and combine them to derive a total of Federal fiscal activity, with a focus on combined totals. Also a plan of operations for a fiscal period in terms of (a) estimated costs, obligations, and expenditures; (b) source of funds for financing including anticipated reimbursements and other resources; and (c) history and workload data for the projected program and activities.

Budget Activity Categories within each appropriation and fund account which identify the purposes, projects, or types of activities financed by the appropriation or fund.

Budget Authority Authority provided by law to enter into obligations that will result in immediate or future outlays. It may be classified by the period of availability, by the timing of congressional action, or by the manner of determining the amount available.

Budget Estimate Cost estimate prepared for inclusion in DoD budget to support acquisition programs.

Budget Estimate Submit (BES) The DoD Component's budget submissions to the Office of the Secretary of Defense (OSD) showing budget requirements for inclusion in the DoD budget. Every other fall (even years) for two-year budget, every fall of odd years for amendment to second year of previously submitted two year budget.

Budget Execution See Execution.

Budget for Work Packages See Work Package Budgets.

Budget Resolution See Concurrent Budget Resolution.

Budget Year(s) The year(s) following the current fiscal year, and for which the budget estimate is prepared. For example, if the current fiscal year is FY 1995, budget year(s) would be FY 1996-97.

Budgeted Cost The sum of the budgets for completed work packages and completed for Work portions of open work packages, plus the appropriate portion of Performed the budgets for level of effort and apportioned effort.

Budgeted Cost of Work Performed (BCWP) A measurement of work performed in C/SCSC terminology. BCWP is a measurement of work performed compared to the original plan.

Budgeted Cost For Work Scheduled (BCWS) The sum of the budgets for all work (work packages, planning packages, etc.) scheduled to be accomplished (including in-process work packages), plus the amount of level of effort and apportioned effort scheduled to be accomplished within a given time period.

Budgeting The process of translating approved resource requirements into a funding profile.

Builder's Trial Evaluation trials and inspection conducted underway by the builder for the purpose of assuring the builder and the Navy that the ship is, or will be, ready for acceptance trials. This trial should be a comprehensive test of all ship's equipment and approximate the scope of the acceptance trial.

Built-In Test Equipment (BITE) Any device permanently mounted in the prime equipment and used for the express purpose of testing the prime equipment, either independently or in association with external test equipment.

Burden Costs which cannot be attributed or assigned to a system as direct cost. An alternative term for overhead.

Burn Rate The monthly rate at which a contractor's funds are expended during the period of the contract.

Business and Financial Management Business and financial functions, including management of acquisition funds and contracting activities, typically include: the acquisition plan (checklist), acquisition strategy (road map); contract types, award and monitoring; cost estimating, formulation of input for the POM, the budget, and other programmatic or financial documentation of the PPBS; RFP preparation; Source selection; contractor surveillance; and budget execution (paying bills).

Buy (1) To approve, concur, or accept an action or proposal from another agency or office.
(2) The number of end items to be procured either over a certain period or in total.

Buy-American Act Provides that the U.S. government generally give preference to domestic end products. (41 USC 10 A-D). This preference is accorded during price evaluation process by applying punitive evaluation factors to most foreign products. Subsequently modified (relaxed) by Culver-Nunn Amendment (1977) and other 1979 trade agreements for dealing with NATO allies.

Buy-in Submission of an offer, usually substantially below estimated cost, with the expectation of winning the contract.

Buy-out During production when there are multiple contractors, a final competition for the last lot to be produced -- winner-take-all.

C

Capability A measure of the system ability to achieve mission objectives, given the system condition during the mission.

Capacity Analysis An analysis most frequently employed in a machine or process area to project capacity for additional business.

Capstone Test and Evaluation Master Plan A Test and Evaluation Master Plan which address the testing and evaluation of a defense system comprised of a collection of "stand alone" component systems which function collectively to achieve the objectives of the defense system.

Captive Carry In testing, the use of the primary (or similar) platform in which to deploy the weapon system being tested.

Centralized Management The concept of using a single, designated management authority. It includes system management, program/project management, and product management.

Certification The process within OSD for cooperative R&D projects authorized under 10 USC 2350a and funded under PE 0603790D whereby candidate projects are screened and those meeting the selection criteria are certified (approved) for implementation pending memorandum of understanding (MOU) negotiation and signature and release of PE 0603790D funds.

Chairman's Program Assessment (CPA) Summarizes the views of the Chairman, Joint Chiefs of Staff on the balance and capabilities of forces and support levels to attain national security objectives. It is assessment of the Program Objectives Memorandum (POM) force to assist the Secretary of Defense in decisions on the FYDP subsequent to receipt of the POMs.

Change Order Unilateral written order to a contractor to modify a contractual requirement within the scope of the contract, pursuant to the changes clause contained in the contract.

Charter (Joint Program Manager's) Formal document prepared by the lead service with approval of the participating services which delineates the program manager's responsibility, authority and major functions, and describes relationships with other organizations which will use and/or support the program. The charter also describes and assigns responsibility for satisfying unique management requirements of participating services.

Charter (Program Manager's) Provides authority to conduct the program within cost, schedule and performance constraints approved by the decision authority. Establishes manpower resources for the program office and includes assignment of personnel to perform the functions of technical management/systems engineering, logistics, business and financial management, as well as the designation of a contracting officer. It also defines the program manager's line of authority and reporting channels.

Chop Concurrence acquired during coordination.

Claim Assertion by one of the contracting parties seeking adjustment or interpretation of an existing contract subject to the dispute clause on the contract.

Co-Development Systems or subsystems cooperatively designed and developed in two or more countries. Shared responsibilities include design and engineering, and may be expanded to include applied research.

Combat Developer Command or agency that formulates doctrine, concepts, organization, materiel requirements, and objectives. May be used generically to represent the user community role in the materiel acquisition process. (Army, Marine Corps)

Combat Development Covers research, development, and testing of new doctrines, organizations, and materiel for early integration into the structure. (Army, Marine Corps)

Combat System Test Installation A collection of subsystems including weapon, sensor, and information processing equipment together with their interfaces installed for the purposes of early testing prior to the availability of a first production item, at a test facility designed to simulate the essential part of the production item.

Commerce Business Daily (CBD) Publication of Department of Commerce in which government publicizes a potential buy (a "synopsis") to notify interested vendors.

Commercial Components Products or Items A nondevelopment item that has been produced for sale in the commercial marketplace.

Commercial Off-The-Shelf (COTS) A non-development item (NDI) selected from available commercial products to satisfy a valid requirement.

Commitment An administrative reservation of funds by the comptroller in anticipation of their obligation. Based upon firm procurement directives, orders, requisitions, authorizations to issue travel orders, or requests.

Commodity A group or range of items which possess similar characteristics, have similar applications, or are susceptible to similar supply management methods.

Commonality A quality which applies to materiel or systems possessing like and interchangeable characteristics enabling each to be utilized or operated and maintained by personnel trained on the others without additional specialized training; and/or having interchangeable repair parts and/or components. Applies to consumable items interchangeable without adjustment.

Comparability Analysis An examination of two or more systems and their relationships to discover similarity or differences.

Compatibility The compatibility of two or more operational items/systems to exist or function as elements of a larger operational system or operational environment without mutual interference. Applies also to multi-service or multi-national use. See soldier-machine interface.

Competent Munitions Neither "brilliant" nor "dumb", they are good enough to do a job effectively and are expected to cost much less than terminally guided munitions. By effectively managing their assignment to target, it is possible to optimize their force multiplier effect.

Competition An acquisition strategy whereby more than one contractor is sought to bid on a service or function; the winner selected on the basis of criteria established by the activity for whom the work is to be performed. The law and DoD policy require maximum competition throughout the acquisition life cycle.

Competitive Proposals A method for awarding a contract on other basis than low bid; also called competitive negotiated (may have best and final offer after discussions).

Competitive Prototyping Strategy (CPS) Prototype competition between two or more contractors in a comparative side-by-side test.

Component (1) Subsystem, assembly, subassembly or other major element of an end item. (2) Military department, or agency of DoD.

Component Acquisition Executive (CAE) See definition for DoD Component Acquisition Executive.

Component Breakout See Breakout.

Component Program A major defense acquisition program delegated to the Military Department or Defense Agency for management. (ACAT IC program)

Compounding The process of increasing the future worth of a present amount. An application of the principle that future worth is greater than present worth when viewed from the future due to the payment of interest.

Computer Resources The totality of computer hardware, firmware, software, personnel, documentation, supplies, services, and support services applied to a given effort.

Computer Resources Life Cycle Management Plan (CRLCMP) A program management document that describes the development, acquisition, test, and support plans for computer resources integral to, or used in, direct support of systems.

Computer Software (or Software) A combination of associated computer instructions and computer data definitions required to enable the computer hardware to perform computational or control functions.

Computer Software Documentation Technical data information, including computer listings and printouts, which documents the requirements, design, or details of computer software, explains the capabilities and limitations of the software, or provides operation instructions for using or supporting computer software during the software's operational life.

Concept Baseline The Acquisition Program Baseline approved at Milestone I, Concept Direction Approval.

Comptroller The chief financial officer for the activity to which assigned. At OSD level, the Under Secretary of Defense (Comptroller) is responsible for PPBS policy and all budgetary matters.

Concept Exploration and Definition (CE/D) Beginning after Milestone 0 approval, the initial phase of the system acquisition process. During this phase, the acquisition strategy is developed, system alternatives are proposed and examined, and the systems program requirements document is expanded to support subsequent phases.

Conclusion The act of signing, initialing, responding, or otherwise indicating the acceptance of an international agreement by the United States.

Concurrency Part of an acquisition strategy which would combine or overlap life cycle phases (such as engineering and manufacturing development, and production), or activities (such as development and operational testing).

Concurrent Engineering A systematic approach to the integrated, concurrent design of products and their related processes, including manufacture and support. Intended to cause developers, from the beginning, to consider all elements of the system life cycle from requirements development through disposal, including cost, schedule and performance.

Concurrent Resolution on the Budget Resolution passed by both Houses of Congress, but not requiring the signature of the President, setting forth or revising the congressional budget for the United States Government for a fiscal year. Scheduled to be adopted by the Congress on or before April 15 of each year (2 USC 632).

Conference of NATO Armaments Directors (CNAD) The CNAD and its subordinate bodies, including the main groups, cadre groups, ad hoc groups, and project steering committees, and any other bodies that may be established by the CNAD.

Configuration A collection of an item's descriptive and governing characteristics, which can be expressed (a) in functional terms, i.e., what performance the item is expected to achieve; and (b) in physical terms, i.e., what the item should look like and consist of when it is built.

Configuration Identification Configuration Identification is the process of establishing and describing the contractual baselines; e.g., identification of configuration items.

Configuration Item (CI) An aggregation of hardware, firmware, or computer software or any of their discrete portions, which satisfies an end use function and is designated by the Government for separate configuration management. Configuration items may vary widely in complexity, size, and type, from an aircraft, electronic, or ship system to a test meter or round of ammunition. Any item required for logistic support and designated for separate procurement is a configuration item.

Configuration Management Technical and administrative direction and surveillance actions taken to identify and document functional and physical characteristics of an item; to control changes to a item and its characteristics; and to record and report the change processing and implementation status.

Constant Dollars A method of relating dollars in several years by removing the effects of inflation and showing all dollars at the value they would have in a selected base year. Constant dollar series are derived by dividing current dollar estimates by appropriate price indices, a process generally known as deflating. The result is a time series as it would presumably exist if prices were the same throughout as in the base year - in other words, as if the dollar had constant purchasing power. Any changes in such a series would reflect only changes in the real (physical) volume of output. Constant dollar figures are commonly used for gross domestic product (GDP) and its components.

Constructive Change A contract change without formal written authority.

Consumable Administrative or housekeeping items, general purpose hardware, common tools, or any item not specifically identified as controlled equipment or spare parts.

Consumer Price Index (CPI) A measure of change over time in buying power of the dollar, derived by comparing the price of like items during different time periods. Published by the Bureau of Labor Statistics.

Contingency Testing Additional testing required to support a decision to commit added resources to a program, when significant test objectives have not been met during planned tests.

Continuing Resolution Authority (CRA) Legislation enacted by Congress to provide budget authority for specific ongoing activities in cases where the regular fiscal year appropriation has not been enacted by the beginning of the fiscal year. A CRA usually specifies a maximum rate at which the agency may incur obligations, based on the rate of the prior year, the President's budget request, or an appropriation bill passed by either or both Houses of the Congress. Normally, new programs cannot be started under a CRA, and the CRA is for a designated period.

Continuous Acquisition and Life-Cycle Support (CALs) Continuous Acquisition and Life-Cycle Support (CALs) is a joint government and industry initiative to enable and to accelerate the integration of digital information for major systems acquisition, design, manufacture, and support. The CALs initiative will provide for an effective transition from current paper intensive life-cycle processes to efficient use of digital information technology.

Contract An agreement between two or more legally competent parties, in the proper form, on a legal subject matter or purpose, for a legal consideration.

Contract Action An action resulting in a contract or a modification to a contract.

Contract Adjustment Board A department board (for example, Army Contract Adjustment Board) at the Secretarial level which deals with disputes and requests for extraordinary relief under Public Law 85-804.

Contract Administration All the activities associated with the performance of a contract from award to close-out.

Contract Administration Office (CAO) The activity identified in the DoD Directory of Contract Administration Services Components assigned to perform contract administration responsibilities. It is a general term and includes Defense Contract Management Regions (DCMRs), Defense Contract Management Area Operations (DCMAOs), and Defense Plant Representative Offices (DPRO's).

Contract Administration Services (CAS) All those actions accomplished in or near a contractor's plant for the benefit of the Government, which are necessary to the performance of a contract or in support of the buying offices, system/project managers, and other organizations, including: quality assurance, engineering support, production surveillance, preaward surveys, mobilization planning, contract administration, property administration, industrial security, and safety.

Contract Authority A type of budget authority that permits a federal agency to incur obligations before appropriations have been passed or in excess of the amount of money in a revolving fund. Contract authority must be funded subsequently by an appropriation so that the commitments entered into can be paid.

Contract Award Occurs when the contracting officer has signed and distributed the contract to the contractor.

Contract Budget Base The negotiated contract cost plus the estimated cost of authorized unpriced work.

Contract Categories Two categories, sometimes called families: cost-reimbursement (where government pays the cost, subject to limitations), and fixed-price (where government pays a price, subject to a maximum ceiling amount if a sharing incentive is used.)

Contract Cost Overrun/Underrun A net change in contractual amount over/under that contemplated by a contract target price, estimated cost plus fee (any type cost reimbursement contract), or redeterminable price, due to the contractor's actual contract costs being over/under target or anticipated contracts costs but not attributable to any other cause of cost growth previously defined.

Contract, Cost-Plus Fixed Fee (CPFF) A cost reimbursement type contract which provides for the payment of a fixed fee to the contractor. The fixed fee once negotiated, does not vary with actual cost, but may be adjusted as result of any subsequent changes in the scope of work or services to be performed under the contract.

Contract, Cost-Plus-Incentive-Fee (CPIF) A cost-reimbursement type contract with provision for a fee which is adjusted by formula in accordance with the relationship which total allowable costs bear to target costs. The provision for increase or decrease in the fee, depending upon allowable costs of contract performance, is designed as an incentive to the contractor to increase the efficiency of performance.

Contract, Cost-Plus Percentage-Of-Cost A form of contract formerly used but now illegal for use by DoD which provided for a fee or profit as a specified percentage of the contractor's actual cost of accomplishing the work to be performed. Sometimes referred to as a "cost-plus" or "percentage-of-cost" contract.

Contract, Cost-Reimbursement Type A type of contract which provides for payment to the contractor of allowable costs incurred in the performance of the contract, to the extent prescribed in the contract. This type of contract establishes an estimate of total cost for the purpose of obligation of funds and establishing a ceiling which the contract may not exceed (except at his own risk) without prior approval or subsequent ratification of the contracting officers. For examples, see contract, cost-plus-fixed-fee and contract, cost-plus-incentive-fee.

Contract Data Requirements List (CDRL) Document used to order ("buy") and require delivery of data. Tells contractor what data to deliver, when and how it will be accepted, where to look for instructions, etc.

Contract Definition A funded effort, normally by two or more competing contractors, to establish specifications, to select technical approaches, to identify high-risk areas, and to make cost and production time estimates for developing large weapons systems.

Contract, Firm Fixed Price (FFP) Provides for a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract. This type of contract places upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. Provides maximum incentive for the contractor to control costs, and imposes a minimum administrative burden on the government.

Contract, Fixed Price Incentive Firm (FPIF) Uses an incentive whereby the contractor's profit is increased or decreased by a pre-determined share of a overrun or underrun. A firm target is established from which to later compute the overrun or underrun. A ceiling price is set as the maximum amount the government will pay. Necessary elements for this type of contract are: Target Cost - best guess of expected cost; Target Profit - fair profit at target cost; Share Ratio(s) - to adjust profit after actual costs are documented; and, Ceiling Price - limit the government will pay.

Contract, Fixed Price Type A type of contract which provides for a firm price to the government, or in appropriate cases, an adjustable price. For examples, see contract, firm fixed price and contract, fixed price incentive firm.

Contract Requirements In addition to specified performance requirements, contract requirements include those defined in the statement of work; specifications, standards and related documents; the contract data requirements list; management systems; and contract terms and conditions.

Contracting Activity Each service designates certain commands as contracting activities. The subordinate command in which the principal contracting office is located. It may include the program office, related functional support offices, and contracting offices. DoD FAR Supplement lists the CA's. Examples are Army Missile Command (MICOM), Naval Air Systems Command (NAVAIRSYSCOM), and Air Force Materiel Command (AFMC). Synonymous with Procuring Activity. The Head of the CA (HCA) has certain approval and authority responsibilities.

Contracting Officer (CO) A person with the authority to enter into, administer, or terminate contracts and make related determinations and findings. The term includes any authorized representatives of the CO acting within the limits of their authority. A CO whose primary responsibility is to enter into contracts is a Procuring Contracting Officer. One whose primary responsibility is to administer contracts is an Administrative Contracting Officer. One whose primary responsibility is to terminate contracts and/or settle terminated contracts is a Termination Contracting Officer. A single contracting officer may be responsible for duties in any or all of these areas.

Contractor An entity in private industry which enters into contracts with the government to provide goods or services. In this GLOSSARY, the word also applies to government-operated activities which perform work on acquisition defense programs.

Contractor Acquired Property Property procured or otherwise provided by the contractor for the performance of a contract, title to which is vested in the government.

Contractor Furnished Equipment (CFE) Standard items of hardware; electrical equipment, and other standard production or commercial items furnished by a prime contractor as part of a larger assembly.

Contractor Performance Reporting Method requiring periodic accounting and reporting by contractor on performance under contract to date.

Contractor-Owned, Contractor-Operated (CO-CO) A manufacturing facility owned and operated by a private contractor performing a service, under contract, for the Government.

Contractor Support See Interim Contractor Support.

Contractual Data Requirement A requirement, identified in a solicitation and imposed in a contract or order, that addresses any aspect of data (i.e., that portion of contractual tasking requirement associated with the development, generation, preparation, modification, maintenance, storage, retrieval, and/or delivery of data).

Cooperative Logistics This term is used to refer to any international cooperation between the United States and one or more allied or friendly nation or international organization in the logistical support of weapons or other defense systems and equipment used in the armed forces of the cooperating partners,

Cooperative Logistic Supply Support The logistic support provided a foreign government or agency through participating in the U.S. DoD logistics system under Security Assistance procedures with reimbursement to the United States for support provided.

Cooperative Opportunities Document (COD) In accordance with 10 USC 2350(a), the cooperative opportunities document is intended to ensure that opportunities to conduct cooperative RDT&E projects are considered at an early point during the formal development review process of the DoD. To this end, the cooperative opportunities document shall include the following:

1. A statement indicating whether or not a project similar to the one under DoD consideration is in development or production by one or more of the major U.S. allies.
2. If a project similar to the one under DoD consideration is in development or production by one or more major U.S. allies, an assessment by the USD(A&T) as to whether that project could satisfy, or could be modified in scope so as to satisfy, the military requirements of the U.S. project under DoD consideration.
3. An assessment of the advantages and disadvantages with regard to program timing, development and life cycle costs, technology sharing, and rationalization, standardization and interoperability (RSI) of seeking to structure a cooperative development program with one or more major U.S. allies.
4. The recommendation of the USD(A&T) as to whether the DoD should explore the feasibility and desirability of a cooperative development program with one or more major U.S. allies.

Cooperative Programs (1) 1. Cooperative programs comprise one or more specific cooperative projects that are conducted under an international agreement and that are:

a. Implemented under: (1) Title 22 United States Code (Arms Export Control Act), to include the specific provisions of 22 USC 2767 regarding cooperative projects with friendly foreign countries. (2) Title 10 United States Code (Armed Forces), to include the specific provisions of 10 USC 2350a regarding cooperative research and development programs with allied countries.

b. Undertaken with one or more of the following general objectives:

(1) Supplying the best available defense goods and services to the United States, its allies, and other friendly countries in the most timely and cost-effective manner practicable. (2) Making the most efficient use of the scientific, technical, industrial and financial resources available for the defense of the United States, its allies, and other friendly

countries. (3) Facilitating multilateral military operations in times of emergency or hostilities involving the United States, its allies, and other friendly countries by promoting:

(a) The standardization or interoperability of equipment relevant to those operations.

(b) Common or mutually consistent logistic support for the forces potentially involved in those operations.

c. Conducted in the following general areas:

(1) Research, development, test, and evaluation of defense articles (including cooperative upgrade or other modification of a U.S. developed system). (2) Joint production (including follow-on support) of a defense article that was developed by one or more of the participants. (3) Procurement by the United States of a foreign defense article (including software), technology (including manufacturing rights), or service (including logistic support). (4) Testing under the Foreign Comparative Testing Program on non-development items and selected technologies (including data) originated solely by allied or friendly countries.

2. Cooperative programs so defined exclude programs that entail acquisition for solely foreign military requirements, as distinct from joint U.S./foreign military requirements. Acquisition for solely foreign military requirements will be satisfied through either Foreign Military Sales (FMS) or direct commercial transactions with U.S. contractors. Government-to-government agreements relating to acquisition for foreign military requirements may include procurement from U.S. production, foreign coproduction, or licensed production of a wholly U.S.-developed weapon system.

3. *See also "Cooperative Project" and "Foreign Comparative Testing Program."*

Cooperative Programs (2) Programs that comprise one or more specific cooperative projects whose arrangements are defined in a written agreement between the parties and which are conducted in the following general areas:

1. Research, development, testing, and evaluation (RDT&E) of defense articles (including cooperative upgrade or other modification of a U.S.-developed system), joint production (including follow-on support) of a defense article that was developed by one or more of the participants, and procurement by the United States of a foreign defense article (including software), technology (including manufacturing rights), or service (including logistics support) that are implemented under Title 22 of the U.S. Code, Section 2767 [22 USC 2767, reference (c)] to promote the rationalization, standardization, and interoperability (RSI) of NATO armed forces or to enhance the ongoing efforts of non-NATO countries to improve their conventional defense capabilities.

2. Cooperative research and development program (R&D) with NATO and major non-NATO allies implemented under Title 10 U.S. Code, Section 2350a [10 USC 2350a, to improve the conventional defense capabilities of NATO and enhance RSI.

3. Data, information, and personnel exchange activities conducted under approved DoD programs.

4. Testing and evaluation of conventional defense equipment, munitions, and technologies developed by allied and friendly nations to meet valid existing U.S. military requirements.

Cooperative Project 1. A cooperative project is a jointly planned undertaking, with a finite beginning and finite ending, of something to be accomplished, produced, or constructed by the participants on the basis of:

- a. A bilateral or multilateral written agreement between the participants.
- b. An equitable contribution by the participants to the full costs of the undertaking.

2. A project involving joint participation by the United States and one or more allied or friendly nations under an MOU (or other formal agreement) to carry out a cooperative RDT&E, production, or procurement project (including follow-on support).

3. *See also "Cooperative Program."*

Cooperative Project MOU A government-to-government (or international organization) international agreement setting forth the terms and conditions under which the signatories agree to cooperate in the performance of a specific RDT&E, exchange, standardization, or production effort (including follow-on and logistical support).

Co-Production Production of a defense system in two or more countries. Involves the transfer of production technology and complex or sensitive subsystem components from the country of origin to countries producing the system. Recipient may expand production to include subsystems and components.

Co-Production Programs 1. Coproduction programs comprise those programs in which the U.S. Government enables an eligible foreign government, international organization or designated commercial producer to acquire the technical data and know-how to manufacture or assemble in whole or in part an item of U.S. defense equipment for use in the defense inventory of the foreign government. 2. Coproduction programs so defined may be implemented through any one or a combination of international agreements, Letters of Offer and Acceptance (LOAs) and direct commercial agreements subject to USG export licenses.

Cost Analysis An analysis and evaluation of each element of cost in a contractor's proposal to determine reasonableness.

Cost Analysis Improvement Group (CAIG) Organization within the office of the Director (PA&E) which advises the DAB on matters concerning the estimation, review and presentation of cost analysis of future weapon systems. The CAIG also develops common cost estimating procedures for DoD.

Cost and Operational Effectiveness Analysis (COEA) An analysis of the costs and operational effectiveness of alternative materiel systems to meet a mission need and the associated program for acquiring each alternative.

Cost and Pricing Data Used by contractor to respond to an RFP from Government. The Truth-in-Negotiations Act requires the bidding contractors to certify that the data is complete, current, and accurate as of the date the contractor and the Government agree on a price.

Cost Avoidance An action taken in the immediate time frame that will decrease costs in the future. For example, an engineering improvement that increases the mean time between failures and thereby decreasing operating support costs can be described as a cost avoidance action. It is possible for the engineering change to incur higher costs in the immediate time frame. As long as net total life cycle costs are less, it is a cost avoidance action. The amount of the cost avoidance is determined as the difference between two estimated cost patterns, one before the change and the one after.

Cost-Based Budget A budget based on the cost of goods and services to be received during a given period whether paid for before the end of the period or not. Not to be confused with an expenditure-based budget, which is based on the cost of goods and services received and actually paid for.

Cost-Benefit Analysis An analytic technique that compares the costs and benefits of investments, programs, or policy actions in order to determine which alternative or alternatives maximize net profits. Net benefits of an alternative are determined by subtracting the present value of costs from the present value of benefits.

Cost Breakdown Structure A system for subdividing a program into (a) hardware elements and sub-elements; (b) functions and subfunctions; and (c) cost categories to provide for more effective management and control of the program.

Cost Cap The maximum total dollar amount the DoD is willing to commit for acquiring a given capability. A cost cap consists of program acquisition costs only and is maintained in constant dollars. Cost caps are applied to selected baseline programs.

Cost Center A subdivision of a field activity or a responsibility center, for which identification of costs is desired and which is amenable to cost control through one responsible supervisor.

Cost Effectiveness A measure of the operational capability added by a system as a function of its life-cycle cost.

Cost Estimate A judgment or opinion regarding cost of an object, commodity or service. A result of product of an estimating procedure which specifies the expected dollar cost required to perform a stipulated task or to acquire an item. A cost estimate may constitute a single value or a range of values.

Cost Estimating Methodologies (1) Comparison/analogy; (2) Parametric/top-down; (3) Detailed engineering/bottoms-up; and (4) Extrapolation from actuals.

Cost Estimating Relationship A mathematical relationship that defines cost as a function of one or more parameters such as performance, operating characteristics, physical characteristics, etc.

Cost Growth A term related to the net change of an estimated or actual amount over a base figure previously established. The base must be relatable to a program, project or contract and be clearly identified including source, approval authority, specific items included, specific assumptions made, date and the amount.

Cost Incurred A cost identified through the use of the accrual method of accounting.

Cost Model A compilation of cost estimating logic that aggregates cost estimating details into a total cost estimate.

Cost Objective A function, organizational subdivision, contract, or other work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capitalized projects, and so forth.

Cost Overrun The amount by which a contractor exceeds (a) the estimated cost and/or (b) the final limitation (ceiling) of his contract.

Cost Performance A monthly report procured by the program manager from the contractor to obtain report data from the contractor's management system. In standard format; used in program manager's decision-making process.

Cost Reimbursement Contracts In general, a category of contracts whose use is based on payment by the government to a contractor of allowable costs as prescribed by the contract. Normally only "best efforts" of the contractor are involved. Includes (a) cost, (b) cost sharing, (c) cost-plus-fixed fee (CPFF), (d) cost-plus-incentive fee (CPIF), and (e) cost-plus award fee (CPAF) contracts.

Cost Savings An action that will result in a smaller than projected level of costs to achieve a specific objective. Incentive contracts where the contractor and government share in any difference in cost below the estimated target cost incurred by the contractor to achieve the objective of the contract is a cost savings. It differs from a cost avoidance in that a cost target has been set from which the amount of savings can be measured. In a cost avoidance, the amount is determined as the difference between two estimated cost patterns.

Cost/Schedule Control Systems Criteria (C/SCSC) Standards used to evaluate the effectiveness of a contractor's internal systems. The C/SCSC do not require any data to be reported to the Government, but do provide for access to data needed to evaluate the system and monitor its operation during the life of the contract.

Could Cost A technique designed to achieve the best quality and price for goods purchased, based on what a program "could cost" if both government and contractor eliminate all non-value-added work done or required by either party.

Cradle-To-Grave Total life cycle of given system, from concept through development, acquisition, operations phases, and final disposition. Also called womb-to-tomb.

Crew Load Number of workers assigned to complete work on a defined production component.

Critical Design Review (CDR) Review conducted to determine that the detailed design satisfies performance and engineering requirements of the development specification; to establish the detailed design compatibility among the item and other items of equipment, facilities, computer programs, and personnel; assesses producibility and risk areas; and to review the preliminary product specifications.

Critical Intelligence Parameter (CIP) A threat capability or threshold established by the program manager, changes to which could critically impact on the effectiveness and survivability of the proposed system.

Critical Issues Those aspects of a system's capability, either operational, technical, or other, that must be questioned before a system's overall suitability can be known, and which are of primary importance to the decision authority in reaching a decision to allow the system to advance into the next phase of development.

Critical Material Material that has been classified as being essential to the U.S. economy. There are approximately 40 minerals in this category. The U.S. is more than 50 percent dependent on foreign sources for over half of these.

Critical Operational Issue A key operational effectiveness or operational suitability issue that must be examined in operational test and evaluation to determine the system's capability to perform its mission. Normally phrased as a question to be answered in evaluating a system's operational effectiveness and/or operational suitability.

Critical Path Method (CPM) A technique that aids dependency of other activities and the time required to complete them. Activities, which when delayed have an impact on the total project schedule, are critical and said to be on the critical path.

Critical Technology Technologies that consist of (a) arrays of design and manufacturing know-how (including technical data); (b) keystone manufacturing, inspection, and test equipment; (c) keystone materials; and (d) goods accompanied by sophisticated operation, application, or maintenance know-how that would make a significant contribution to the military potential of any country or combination of countries and that may prove detrimental to the security of the United States (also referred to as militarily critical technology).

Critical Weakness Reliability Test Determines the mode of failure when equipment is exposed to environments in excess of the anticipated environments. By this testing, critical levels can be determined for parameters such as vibration, temperature and voltage which will adversely affect the component.

Cross-Servicing That function performed by one military service in support of another military service for which reimbursement is required from the service receiving support.

Cumulative Average Curve A plot of the average cost of N units at any quantity N or the total cost divided by the total quantity.

Current Estimate A Current Estimate of an acquisition program represents the trade-offs between cost, schedule, and performance made by the Program Manager as well as changes in the program external to the Program Manager (e.g., by Congressional action). Acquisition Program Baseline breaches occur when the Current Estimate falls outside one or more acquisition program baseline thresholds.

Current Level The amounts provided or required by law as a result of permanent appropriations, advance appropriations, existing entitlement authority, and previous year outlays from discretionary appropriations. Credit authority provided by any of these laws is also considered to be part of the current level, as are direct loans that result from defaults on guaranteed loans. See Controllability.

Current Services An estimate, provided each year by OMB, of the budget authority and outlays that would be needed in the next fiscal year to continue federal programs at their current levels. These estimates reflect the anticipated costs of continuing these programs at their present spending levels without any policy changes, that is, ignoring all new presidential and congressional initiatives that have not yet been enacted into law.

Current Year The fiscal year in progress. Also called the execution year. See also Budget Year.

Current-Year Dollars, Then-Year Dollars Dollars that include the effects of inflation or escalation and or reflect the price levels expected to prevail during the year at issue. See escalated dollars.

Cycle (1) Time required to complete a predetermined number of article(s) of production. (2) Also refers to the resource allocation process occurring on a calendar basis.

D

Defense Acquisition Board (DAB) The senior DoD Acquisition review board chaired by the Under Secretary of Defense for Acquisition and Technology (USD(A&T)). The Vice Chairman of the Joint Chiefs of Staff is the Vice-Chair. Other members include the Under Secretary of Defense (Comptroller), Director, Operational Test and Evaluation, Deputy USD(A&T), Acquisition Executives of the Army, Navy, and Air Force; the Director of Defense Research and Engineering; and the Director of Program Analysis and Evaluation. The Director of Acquisition Program Integration is the DAB executive secretary.

DAB Program Requires a USD(A&T) decision at each milestone review point (ACAT ID Program).

Data All recorded information, regardless of form or characteristic. It is delivered under contract. Technical data excludes management and financial data. See Limited Data Rights and Unlimited Rights.

Data Call In response to a program managers data call, CDRL candidate items are developed by persons with data needs. Most are developed to fit under standard data item descriptions (DIDs).

Debit (1) Any bookkeeping entry in recording a transaction, the effect of which is to decrease a liability, revenue, or capital account or increase an asset, or expense account; (2) having a balance that represents an asset; (3) the act of making such an entry; (4) a debit memo or debit invoice used in dealings with customers or suppliers.

Debug To test or check out a program of instructions and data for an computer in order to eliminate mistakes.

Decrement Directed funding level reduction for acquisition program(s).

Defective Pricing Result of cost/pricing data which was certified by contractor to be accurate, current and complete not being so.

Defense Acquisition Board Committee Advisory boards subordinate to the Defense Acquisition Board. The number of Committees is determined by the USD(A&T). These committees review ACAT ID programs prior to a Defense Acquisition Board review in order to make an independent assessment and recommendation to the Board regarding the program.

Defense Acquisition Executive (DAE) The principal advisor and assistant to the SECDEF and the focal point in OSD for the systems acquisition process. The USD(A&T) is the DAE.

Defense Acquisition Executive Summary (DAES) DAES is the principal mechanism for tracking programs between milestone reviews. Includes programs subject to the Selected Acquisition Report (SAR), and any non-SAR programs subject to review by the Defense Acquisition Board (DAB).

Defense Acquisition Regulatory Council (DARC) The DARC is one of two councils authorized to generate changes to the Federal Acquisition Regulation (FAR). DARC members are from the USD(A&T), the DoD Components, and NASA. (The other council is the Civilian Agency Acquisition Council with representatives from the other executive departments)

Defense Articles Weapons, weapon systems, munitions, aircraft, boats, or other implements of war; property, installations, material, equipment, or goods used for purposes of furnishing military assistance or making military sales; any machinery, facility, tool, material, supply, or other items necessary for the manufacture, production, processing, repair, servicing, storage, construction, transportation, operation, or use of any other defense article or any component or part of any articles listed above, but does not include merchant vessels, major combatant vessels (10 USC 7307), or as defined by the Atomic Energy Act of 1954, as amended (42 USC 2011), source material, by-product material, special nuclear material, production facilities, utilization facilities, or atomic weapons or articles involving Restricted Data.

Defense Contract Management Command (DCMC) The function of a single DoD representative for contract administration is performed by DCMC, which is part of the Defense Logistics Agency (DLA). A contractor with a large amount of defense business will have a DCMC contract administration team located at the plant on a full time basis.

Defense Cooperation Defense cooperation is a generic term for the range of activity undertaken by the U.S. DoD with its allies and other friendly nations to promote international security. Such activity includes, but need not be confined to, security assistance, industrial cooperation, armaments cooperation, Foreign Military Sales, training, logistics cooperation, cooperative Research and Development, Foreign Comparative Testing, and Host Nation Support.

Defense Cooperation Country A "qualifying country" that has a defense cooperation agreement with the United States and for which a determination and findings (D&F) has been made by the Secretary of Defense waiving the Buy American Act restrictions for a list of mutually agreed-upon items (see DFARS Subpart 225.75).

Defense Industrial Cooperation Activities undertaken pursuant to a government-to-government agreement to foster cooperation in R&D, production and procurement, and logistics support of defense equipment that emphasize joint production of systems to satisfy the military requirements of one or more allied or friendly nations in coordination with the United States.

Defense Information Any document, writing, sketch, photograph, plan, model, specification, design prototype, or other recorded or oral information relating to any defense article, defense service, or major combatant vessel, but shall not include Restricted Data as defined by the Atomic Energy Act of 1954, as amended, and data removed from the Restricted Data category under section 142d of that Act.

Defense Planning Guidance (DPG) Document issued by SECDEF to DoD components providing strategic framework for developing the Service POM's. Result of planning effort by the Joint Staff, OSD and services. In connection with two-year budget process, is issued every other (odd) year.

Defense Plant Representative Office (DPRO) The DPRO is the contract administration team from the Defense Contract Management Command located full time at a contractor's plant.

Defense Resources Board (DRB) A board, chaired by the Deputy Secretary of Defense, established to facilitate decision making during all phases of the planning, programming, and budgeting system process. Board members include the Secretaries of the Military Departments, the Chairman and Vice Chairman of the Joint Chiefs of Staff, the Under Secretaries of Defense, the Director for Program Analysis and Evaluation, and the Comptroller of the DoD.

Defense Systems Management College (DSMC) A DoD college dedicated to educating persons in the DoD systems acquisition process, both military and civilian in government and industry, and conducting research and consulting to support and improve DoD acquisition program management. The Commandant reports to the Deputy Under Secretary of Defense (Acquisition Reform).

Deferral of Budget Authority Temporary withholding or delaying the obligation or expenditure of budget authority or any type of executive action which effectively precludes the obligation or expenditure of budget authority. Budget authority may be deferred to provide for contingencies, to achieve savings or greater efficiency in the operations of government, or as

otherwise specified by law. Budget authority may not be deferred in order to effect a policy in lieu of one established by law or for any other reason. Deferrals must be communicated to the Congress by the President in a special message. Deferred budget authority may not be withheld from obligation unless an act is passed to approve the deferral and the act is presented to the President.

Deficiency Operational need minus existing and planned capability. The degree of inability to successfully accomplish one or more mission tasks or functions required to achieve mission or mission area objectives. Deficiencies might arise from changing mission objectives, opposing threat systems, changes in the environment, obsolescence, or depreciation in current military assets.

Degradation Lowering of quality, performance or status.

Delay Allowance A time increment included in a time standard to allow for predictable contingencies and minor delays beyond the control of the workmen.

Delta Funding change/difference.

Demonstration and Validation (DEM/VAL) 1. The second phase in the acquisition process, following Milestone I. Consists of steps necessary to resolve or minimize logistics problems identified during concept exploration, verify preliminary design and engineering, build prototypes, accomplish necessary planning and fully analyze trade off proposals. The objective is to validate the choice of alternatives and to provide the basis for determining whether to proceed into Engineering & Manufacturing Development. 2. Category of funds in the Research, Development, Test and Evaluation (RDT&E) appropriation. May be referred to in short-hand terms as "6.4" funding.

DoD Acquisition System A single uniform system whereby all equipment, facilities, and services are planned, designed, developed, acquired, maintained, and disposed of within the DoD. The system encompasses establishing and enforcing policies and practices that govern acquisitions, to include documenting mission needs and establishing performance goals and baselines; determining and prioritizing resource requirements for acquisition programs; planning and executing acquisition programs; directing and controlling the acquisition review process; developing and assessing logistics implications; contracting; monitoring the execution status of approved programs; and reporting to Congress.

Dependability A measure of the degree to which an item is operable and capable of performing its required function at any (random) time during a specified mission profile, given item availability at the start of the mission.

Deploy/Deployment Fielding a weapon system by placing it into operational use with units in the field/fleet.

Depot-Level Maintenance Maintenance performed on material requiring major overhaul or a complete rebuild of parts, assemblies, subassemblies, and end items, including the manufacture of parts, modification, testing, and reclamation as required. Supports organizational and intermediate maintenance activities by more extensive shop facilities and personnel of higher technical skill than are normally available at the lower levels of maintenance.

Design Control Activity A contractor or Government activity having responsibility for design of a given part and for the preparation and currency of engineering drawings and other technical data for that part.

Design Interface The relationship of logistics-related design parameters, such as R&M, to readiness and support resource requirements. These logistics-related design parameters are expressed in operational terms rather than as inherent values and specifically related to system readiness objectives and support costs of the system. One of the principal elements of ILS.

Design Parameters Qualitative, quantitative, physical, and functional value characteristics that are inputs to the design process, for use in design tradeoffs, risk analyses, and development of a system that is responsive to system requirements.

Design-to-Cost (DTC) Management concept wherein rigorous cost goals are established during development and the control of systems costs (acquisition, operating, and support) to these goals is achieved by practical tradeoffs between operational capability, performance, costs, and schedule. Cost, as a key design parameter, is addressed on a continuing basis and as an inherent part of the development and production process.

Design-to-Unit Production Cost (DTUPC) Contractual provision which is the anticipated unit production price to be paid by the Government for recurring production costs; based on a stated production quantity, rate, and time frame.

Detailed Cost Estimate See Engineering Cost Estimate.

Detail Specification A specification which covers all requirements for one or more types of items or services so as not to require preparation of and reference to a general specification for the common requirements.

Determination and Findings (D&F) A special form of written approval by authorized official required by statute or regulation as prerequisite to taking certain contracting actions.

Developing Activity/Agency The command responsible for R&D and production of a new item.

Development The process of working out and extending the theoretical, practical, and useful applications of a basic design, idea, or scientific discovery. Design, building, modification, or improvement of the prototype of a vehicle, engine, instrument or the like as determined by the basic idea or concept. Includes all efforts directed toward programs being engineered for Service use but which have not yet been approved for procurement or operation, and all efforts directed toward development engineering and test of systems, support programs, vehicles and weapons that have been approved for production and service deployment.

Development Baseline The Acquisition Program Baseline approved at Milestone II, Development Approval.

Development Test and Evaluation (DT&E) T&E conducted to measure progress, usually of components/subsystems, and to assist the engineering design and development process and verify attainment of technical performance specifications and objectives. Usually conducted under controlled or laboratory conditions. Can be conducted before or after production begins.

Deviation A written authorization, granted prior to the manufacture of an item, to depart from a particular performance or design requirement of a specification, drawing or other document for a specific number of units or a specified period of time.

Deviation Criteria Limits established beyond which a Program Manager may not trade-off cost, schedule, or performance without authorization from the milestone decision authority. Acquisition Program Baseline (APB) thresholds represent these parameters. Deviation criteria or thresholds for Phase I, Demonstration and Validation, are the cost, schedule or performance thresholds negotiated by the Program Manager with the Milestone Decision Authority and documented in the APB. Deviation thresholds for ACAT I programs for Phase II (EMD) and Phase (III) (Production & Deployment) are specified by DoDI 5000.2. Currently, deviation thresholds for cost increases (over base year dollars) are: 15% RDT&E; 5% Procurement; 15% average unit procurement cost; 15% MILCON. For schedule, delay greater than 180 days. For performance, any parameter beyond the threshold.

Direct Cost Any cost specifically identified with a particular final cost objective. Is not necessarily limited to items that are incorporated into the end product as labor or material.

Direct Engineering Engineering effort directly related to specific end products.

Direct Labor Labor specifically identified with a particular final cost objective. Manufacturing direct labor includes fabrication, assembly, inspection and test for constructing the end product. Engineering direct labor consists of engineering labors such as reliability, quality assurance, test, design, etc., that are readily identified with the end product.

Direct Labor Standard A specified output or a time allowance established for a direct labor operation. Established by industrial engineers.

Direct Materials Includes raw materials, purchased parts and subcontracted items required to manufacture and assemble completed products. A direct material cost is the cost of material used in making a product.

Disposal The act of getting rid of excess, surplus, scrap, or salvage property under proper authority. Disposal may be accomplished by, but not limited to, transfer, donation, sale, declaration, abandonment, or destruction.

Disbursements In budgetary usage, gross disbursements represent the amount of checks issued, cash, or other payments less refunds received. Net disbursements represent gross disbursements less income collected and credited to the appropriation of fund account, such as amounts received for goods and services provided. (See Outlays.)

Discounting The process of reducing a future amount to a present value.

Documentation Documents used in oversight and review of acquisition programs, including Acquisition Program Baseline, Integrated Program Summary, Test and Evaluation Master Plan, Selected Acquisition Report, and others. (see DoDI 5000.2)

DoD Components The Office of the Secretary of Defense; the Military Departments; the Chairman, Joint Chiefs of Staff and the Joint Staff; the Unified and Specified Commands; the Defense Agencies; and the DoD Field Activities; and the Inspector General of the DoD.

DoD Component Acquisition Executive A single official within a DoD Component who is responsible for all acquisition functions within that Component. This includes Service Acquisition Executives for the Military Departments and Acquisition Executives in other DoD Components who have acquisition management responsibilities.

DoD Directive 5000.1 "Defense Acquisition." The principal DoD directive on acquisition, it establishes policies, practices and procedures of governing the acquisition of major, non-major, and highly sensitive classified defense acquisition programs.

DoD Ethics Council Charged with developing ethics programs for the acquisition workforce. Composed of USD(A&T) and Military Department Secretaries, advised by DoDIG and General Counsel. Executive Director is in Office of USD(A&T).

DoD Instruction 5000.2 "Defense Acquisition Management Policies and Procedures." Implements DoDD 5000.1

Dog and Pony Show A briefing which uses a number of viewgraphs, slides, flip charts, or other training aids. Sometimes this term is used to simply indicate that someone is to be briefed.

Domestic End Product An unmanufactured end product mined or produced in the United States or an end product manufactured in the United States if the cost of its domestic (or qualifying country) components exceeds 50 percent of the cost of all its components.

Down Select To reduce the number of contractors working on a program by eliminating one or more for the next phase.

Draft Request for Proposal Usually sent out to prospective industry bidders authorized by Government to receive it in advance of final RFP. Solicits contractors recommendations to add, delete, or modify requirements, and gives them heads-up on what is anticipated.

Driver(s) A decision or condition that forces subsequent decisions or conditions to occur as a consequence--makes something happen.

Dual Production In NATO context, production of a weapon system in Europe and U.S. refers not only to independent production lines for entire systems, but also to interdependent components production. *See Co-Production.*

Dual Source Two contractors producing the same components or end items for the same program.

E

Early-On That an action should be taken at the beginning of an evolution (i.e., planning early-on in system development for adequate support.)

Early Operational Assessment (EOA) An operational assessment conducted prior to, or in support of, Milestone II.

Earned Hours The time in standard hours credited to a workman or group of workmen as a result of their completion of a given task or group of tasks.

Economic Analysis A systematic approach to a given program, designed to assist the manager in solving a problem of choice. The full problem is investigated. Objectives and alternatives are searched out and compared in the light of their benefits and costs through the use of an appropriate analytical framework.

Economic Life The period of time over which the benefits to be gained from a system may reasonably be expected.

Economic Lot Size That number of units of material or a manufactured item that can be purchased or produced within the lowest unit-cost range. Its determination involves reconciling the decreasing trend in preparation unit costs and the increasing trend in unit costs of storage, interest, insurance, depreciation, and other costs incident to ownership, as the size of the lot is increased.

Economic Ordering Quantity (EOQ) The most economical quantity of parts to order at one time, considering the applicable procurement and inventory costs.

Economic Production Rate The most economically feasible rate at which an end item can be manufactured.

Economies of Scale Reductions in unit cost of output resulting from the production of additional units. Stem from (1) increased specialization of labor as volume of output increases, (2) decreased unit costs of materials, (3) better utilization of management, (4) acquisition of more efficient equipment, and (5) greater use of by-products.

Effectiveness The extent to which the goals of the system are attained, or the degree to which a system can be elected to achieve a set of specific mission requirements. Also, an output of the cost effectiveness analysis.

Effective Competition A marketplace condition that results when two or more manufacturing sources are acting independently of each other.

Efficiency Factor The ratio of standard performance time to actual performance time, usually expressed as a percentage.

Electromagnetic Interference (EMI) Engineering term used to designate interference in a piece of electronic equipment caused by another piece of electronic or other equipment. Sometimes refers to interference caused by nuclear explosion.

Electronic Counter-Countermeasures (ECCM) That division of electronic warfare involving actions taken to insure friendly effective use of the electromagnetic, optical, and acoustic spectra despite the enemy's use of electronic warfare to include high power microwave techniques.

Element A complete, integrated set of subsystems capable of accomplishing an operational role or function, such as navigation. It is the CI delivered by a single contractor.

Embedded Computer Resources Computer system physically incorporated (not necessarily within) into larger system whose function is not data processing. Can be stand-alone, but still integral to larger system. Can be used for other purposes provided primary function is to support weapon system. A subset of Mission Critical Computer Resources. (See Mission Critical Computer Resources.)

Employment The manner of action of using. For example, in the Air Force the phrase "air employment," "employment of the air arm," "employment of aircraft," or "employment of air power" are doctrinal phrases, connoting a manner of use. Proper employment of aircraft implies their use in such a way as to take full advantage of their capabilities, both positive and passive in a variety of situations.

Enactment (1) Action by Congress on the President's budget. Includes hearings, budget resolution, authorizations and appropriations acts. Result is appropriations (funding) for Federal Government. (2) Second of four phases in DoD resource allocation process.

End Item The final production product when assembled, or completed, and ready for issue/-deployment.

End of Test Report Formally documents the results, conclusions, and recommendations as a result of each phase of development testing/operational testing.

Engineering & Manufacturing Development (EMD) 1. The third phase in the acquisition process, following Milestone II. The system/equipment and the principal items necessary for its support are fully developed, engineered, designed, fabricated, tested, and evaluated. The intended output is, as a minimum, a preproduction system which closely approximates the final product, the documentation necessary to enter the production phase, and the test results which demonstrate that the production product will meet stated requirements. 2. A category of funds in the Research, Development, Test and Evaluation (RDT&E) appropriation. May be referred to in short-hand terms as "6.5" funding.

Engineering Change Proposal (ECP) A proposal to the responsible authority recommending that a change to an original item of equipment be considered, and the design or engineering change be incorporated into the article to modify, add to, delete or supersede original parts.

Engineering Cost Estimate Estimate derived by summing detailed cost estimates of the individual work packages and adding appropriate burdens. Usually determined by a contractor's industrial engineering, price analysts and cost accountants.

Engineering Development Model (EDM) A production representative system used during the Engineering and Manufacturing Development (EMD) phase to resolve design deficiencies, demonstrate maturing performance, and develop proposed production specifications and drawings. May also be used for initial operational test and evaluation (IOT&E).

Environment Used as a general reference, environment includes the generic natural environment; e.g., weather, climate, ocean conditions, terrain, vegetation, etc. Modified environment can refer to specific induced environments; e.g., "dirty" battlefield environment, nuclear-chemical-biological environment, etc. Environment includes those conditions observed by the system during operational use, stand-by, maintenance, transportation, and storage.

Environmental Assessment Contains an estimate of whether or not a proposed system will adversely affect the environment or be environmentally controversial, in which case an Environmental Impact Statement is prepared.

Equipment Scheduling and Loading The effective and efficient loading of machines according to their capabilities to perform defined operations utilizing their maximum capability to assure attainment of the manufacturing schedule.

Escalated Dollars See Current-Year Dollars or Then-Year Dollars.

Escalation Use of a price index to convert past to present prices or of converting present to future prices; increase due to inflation and outlay rates for the type of equipment being acquired and the branch or the service involved.

Establishments Agencies listed in a Defense Environmental Agency (DEA) that have an interest in, or provide, the information being exchanged. Establishments are normally government agencies; however, when it would benefit the U.S. Government, contractors under contract to DoD for specific work being performed within the scope of the DEA may participate as establishments.

Estimated Cost at Completion Actual direct costs, plus indirect costs or allocable to the contract, plus the estimate of costs (direct and indirect) for authorized work remaining.

Evaluation Criteria Standards by which accomplishments of required technical and operational effectiveness and/or suitability characteristics or resolution of operational issues may be assessed.

Event-Based Contracting Support "event-driven acquisition strategy" by linking specific contractual events to the "exit criteria" for the acquisition phase, or to intermediate development events established for the acquisition strategy.

Event Driven Acquisition Strategy An acquisition strategy that links program decisions to demonstrated accomplishments in development, testing, and production.

Evolutionary Acquisition An acquisition strategy approach in which a core capability is fielded, with a system design that has a modular structure and provisions for future upgrades and changes as requirements are refined. An evolutionary acquisition strategy is well suited to high technology and software intensive programs where requirements beyond a core capability can generally, but not specifically, be defined.

Evolutionary Requirements Definition Mission needs are first expressed in broad operational capability terms, then progressively evolved to system specific performance requirements. See Mission Need Statement (MNS) and Operational Requirements Document (ORD).

Exclusive (Non-Exclusive) License A license covering a patent(s), technical or proprietary data, technical assistance, know-how, or any combination of these, granted by a US firm to a foreign firm or government to produce, co-produce, or sell a defense article or service within a given sales territory without competition from any other licenses or from the licensor. A non-exclusive license is a license as described as above, except that competition may be permitted with other licensees and/or the licensor.

Executable Program A program is executable if the program manager has adequate near-term approved funding.

Execution The operation of carrying out a program as contained in the approved budget. Often referred to as Budget Execution.

Executive Branch The principal acquisition participants within the Executive Branch, including the President, the DoD (DoD), the Office of Management and Budget (OMB), the Department of State, and the National Security Council (NSC). Their perspective is to formulate, direct, execute national security policy.

Executive Direction Authority and guidance for defense acquisition from the Executive Branch in the form of Executive Orders (EOs) and national security decisions directives from the President, and regulations from cabinet level departments and other federal agencies.

Executive Service See Lead Service.

Exit Criteria Program specific accomplishments that must be satisfactorily demonstrated before an effort or program can progress further in the current acquisition phase or transition to the next acquisition phase. May include such factors as critical test issues, the attainment of projected growth curves and baseline parameters, and the results of risk reduction efforts deemed critical to the decision to proceed further. Exit criteria supplement minimum required accomplishments and are specific to each acquisition and may be stated in an Acquisition Decision Memorandum (ADM) by the Milestone Decision Authority.

Expenditure A charge against available funds, evidenced by voucher, claim or other document approved by competent authority. Expenditure represents the actual payment of funds.

Expense Element Identifies the type of resource being consumed in the functional/-subfunctional category or program element. These are listed and defined by DoD Directive.

Expense Limitation The financial authority issued by a claimant to an intermediate level of command is an expense limitation. Amounts therein are available for issuance of operating budgets to responsibility centers.

Expenses Expenses are expired costs that are deducted from revenue for a given period. Cost of operation and maintenance of activities on the accrual basis over time, as distinguished from costs of acquisition of property.

Expired Appropriation An appropriation which is no longer available for new obligations because the time available for incurring such obligations has expired. Expired accounts are maintained by fiscal year identity for 5 years. During this 5 year period, obligations may be adjusted if otherwise proper and outlays made from these accounts. Unobligated balances may not be withdrawn from expired accounts. After the five-year period has elapsed, all obligated and unobligated balances are canceled and the expired account is closed.

Exploratory Development A funding category that includes efforts toward the solution of specific military problems, short of major development projects.

Extrapolation from Actual Costs Extrapolation method requires prototype or preproduction actual cost data on system considered. Primarily used in estimating the production cost of system hardware, and assumes a relationship (technical, performance) between cost of prototypes and production units. (See cost estimating methodologies.)

F

Fabrication The construction of a part from raw material; the development of software code.

Facilities Industrial property (other than material), special tooling, military property, and special test equipment for production, maintenance, research, development, or test, including real property and rights therein, buildings, structures, improvements, and plant equipment.

Facility (1) A physical plant, such as real estate and improvements thereto, including buildings and equipment, that provides the means for assisting or making easier, the performance of a function; for example, base arsenal, factory. (2) Any part of adjunct of a physical plant, or any item of equipment that is an operating entity and contributes or can contribute to the execution of a function by providing some specific type of physical assistance.

Failure The event in which any part of an item does not perform as required by its performance specification. The failure may occur at a value in excess of the minimum required in the specification, i.e. past design limits or beyond the margin of safety.

Failure-Free Warranty A procurement methodology whose purpose is to bring the manufacturers, or design control agent, into the loop of continuously upgrading the field reliability of designated equipment(s).

Fallback Position Alternative (second choice) position.

Family of Weapons In NATO context, composed of related and complementary systems in a particular mission area.

Fatigue A physical weakening of material because of age, stress, or vibration.

Fatigue Allowance Time included in the production standard to allow for decreases or losses in production which might be attributed to worker fatigue. (Usually applied as a percentage of the leveled, normal, or adjusted time.)

Feasibility Study A study of the applicability or desirability of any management or procedural system from the standpoint of advantages versus disadvantages in any given case.

Federal Acquisition Computer Network (FACNET) Required by the Federal Acquisition Streamlining Act of 1994. Generally, when implemented, FACNET will allow the electronic interchange of procurement information between the private sector and the Federal Government and among Federal agencies. FACNET will allow federal agencies to electronically: provide notice of solicitations for contracts, receive responses to solicitations and associated requests for information, provide public notice of contract awards, make payments to contractors, and archive data relating to each procurement action.

Federal Acquisition Regulation (FAR) The regulation for use by federal executive agencies for acquisition of supplies and services with appropriated funds. The FAR is supplemented by the Military Departments and by DoD. The DoD supplement is called the DFARS (Defense FAR Supplement).

Fenced Funding An identified aggregation of resources reviewed, approved and managed as a distinct entity. The proposed program must be developed within directed resource limitations and the approved program must be implemented within specified resources. Examples of fenced areas are: Intelligence and Security, and Support to Other Nations.

Fences Fences, or resource levels, established for a particular program provide a way by which OSD or the Service Headquarters can exert functional influence. Fences may just as appropriately be called ceilings and floors, used to protect resources.

Field See Deploy/Deployment.

Figure of Merit The numerical value assigned to a measure of effectiveness, parameter or other figure, as a result of an analysis, synthesis, or estimating technique.

Final Assembly The joining together of the major sections to perform a complete unit.

Firmware The combination of a hardware device and computer instructions or computer data that reside as read-only software on the hardware device. The software cannot be readily modified under program control.

First Article First article includes preproduction models, initial production samples, test samples, first lots, pilot models, and pilot lots; and approval involves testing and evaluating the first article for conformance with specified contract requirements before or in the initial stage of production under a contract.

First Article Testing (FAT) Production testing that is planned, conducted, and monitored by the materiel developer. FAT includes preproduction and initial production testing conducted to ensure that the contractor can furnish a product that meets the established technical criteria.

First Unit Equipped Date The scheduled date system or end item and its agreed upon support elements are issued to the designated initial operational capability unit and training specified in the new equipment training plan has been accomplished.

Fiscal Guidance Annual guidance issued by the SECDEF, consistent with Defense Planning Guidance. Provides fiscal constraints that must be observed by DoD Components in the formulation of force structures and by the OSD and joint staff in reviewing proposed programs.

Fiscal Year (FY) U.S. Government: 1 October to 30 September (12 months).

Fitness for Use The effectiveness of the design, manufacturing, and support processes in delivering a system that meets the operational requirements under all anticipated operational conditions.

Fixed Costs Costs that do not vary with the volume of business, such as property taxes, insurance, depreciation, security, and minimum water and utility fees.

Float The period of time that an activity may be delayed without becoming a critical activity.

Flow Chart A graphical explanation of a particular process. In a production process, it usually includes symbols to allow recognition of operations, inspections, storage, etc.

Flow Diagram The paths of movement of workers and/or materials super-imposed on a graphical representation of work area.

Flow Process Chart A graphic representation of the sequence of all operations, transportation, inspections, delays, and storage occurring during a process or procedure.

Flow Time The time required for a defined amount of work to be completed.

Flyaway Costs Costs related to production of a useable end item of military hardware. Includes the cost of procuring the basic unit (airframe, hull, chassis, etc.), an allowance for changes, propulsion equipment, electronics, armament, and other installed government-furnished equipment, and nonrecurring "start-up" production costs. Equates to Rollaway and Sailaway cost.

Focal Point In a particular organization (e.g., the headquarters of a major command) the principal point of contact for coordination and exchange of information related to C/SCSC implementation or surveillance.

Follow-On Operational Test and Evaluation (FOT&E) That test and evaluation that is necessary during and after the production period to refine the estimates made during initial operational test and evaluation, to evaluate changes, and to reevaluate the system to ensure that it continues to meet operational needs and retains its effectiveness in a new environment or against a new threat.

Force Levels Number of aircraft, ships, troops and other forces that are required to accomplish assigned tasks or missions. Normally identified by specified aircraft model, ship type, Army divisions, etc.

Forces Broadly, the fighting elements (combatant) of the overall defense structure; units, equipment, etc., shown in the FYDP.

Force Structure The composition of a Service, or all Services together, in terms of the number of major combat & support units and their relationship to each other.

Foreign Comparative Testing (FCT) A project that tests and evaluates a foreign technique, process, or other subset of a system architecture with the intent of applying that technology to an identified conventional U.S. military system.

Foreign Military Sales (FMS) That portion of U.S. security assistance authorized by the Foreign Assistance Act of 1961, and the Arms Export Control Act. The recipient provides reimbursement for defense articles and services transferred from the U.S. Includes cash sales from stocks (inventories, services, training) by the DoD. defense services.

Foreign Weapon For the purpose of the FCT program, a foreign weapon is any conventional item of military equipment, system, subsystem, munitions, or major component manufactured by a friendly or neutral country that is available or soon to be available for procurement by the U.S. Government.

Form, Fit, and Function Data Technical data pertaining to items, components or processes for the purpose of identifying source, size, configuration, mating and attachment characteristics, functional characteristics and performance requirements.

Formal Agreement An MOU, a memorandum of agreement, or the equivalent, as defined in DoDD 5530.3.

Formal Qualification Review (FQR) A systems level configuration audit conducted after system testing is completed to ensure that performance requirements of the system specification have been met.

Forum for Armaments Cooperation A formal body of accredited national representatives of two or more nations, with a definable membership and charter, meeting periodically-with proceedings of meetings documented for participants-for information exchange and discussion to harmonize operational concepts, doctrine, and procedures; standardize materiel requirements; explore opportunities for cooperative research, development, and acquisition; and/or agree on specific cooperative projects.

Forward Financing A procedure to use X-year money (primarily RDT&E) in year X + 1. Primarily USAF term. See Forward Funding.

Forward Funding Carry-over of RDT&E funding (BA) into second year of appropriations availability. Requires permission from high authority.

Forward Pricing Prospective pricing of overhead and labor parts.

Front End/Up Front Planning or resource commitment at the beginning of the development process to anticipate later requirements and reduce future problems. See Early-on.

Full and Open Competition All responsible sources are eligible to compete. The standard for competition in contracting. Required by the Competition in Contracting Act (1984).

Full Funding/Fully Funded The annual appropriation of funds for the total estimated costs to be incurred in the delivery of a given quantity of a usable end item. A budget rule applied to procurement and military construction, and without selection for fit and performance.

Full Operational Capability (FOC) The full attainment of the capability to employ effectively a weapon, item of equipment, or system of approved specific characteristics, which is manned and operated by a trained, equipped, and supported military unit or force.

Full Rate Production Production of economic quantities following stabilization of the system design and prove-out of the production process.

Functional Analysis An approach to the solution of a problem, in which the problem is broken down into its component functions, such as intelligence, fire-power, or mobility. Each relevant function is then further analyzed and broken down into smaller functional components until a level of molecularity suitable for solution of the problem is attained. Functional Area Software Tools (FAST) are individual software programs used to support specific functional areas of responsibility in program management offices. They are stand-alone programs designed to operate on standard DoD microcomputers.

Functional Baseline Documentation describing a system's/segments functional characteristics and the verification required to demonstrate the achievement of those specified functional characteristics. The system or segment specification establishes the functional baseline. See Type A Specification.

Functional Configuration Audit (FCA) The formal examination of functional characteristics test data for configuration item, prior to acceptance, to verify that the item has achieved the performance specified in its functional or allocated configuration identification.

Functional Configuration Identification The current approved or conditionally approved technical documentation for a system or configuration item as set forth in a functional specification and documents referenced therein.

Functional Specialists Specialists who assist and exercise surveillance over lower levels of management. (For example, logisticians, test and evaluation experts., etc.)

Functional (Traditional) Organization The classic organization. Typically a service or one product structure, with clear lines of authority in functional areas reporting ultimately to one head. (DoD) Services are functional organizations.) See Hierarchical Organization.

Functional Support Systematized methodologies and procedures, or a common set of standards applied to materiel acquisition programs, which include but are not limited to personnel, technical requirements, security, automated data processing, cost analysis, training, safety, audit, logistics, product assurance, reliability, equal employment opportunity, obligation planning and reporting, industrial preparedness, value engineering, test, public affairs, legal, inspector general, mobilization, contracting, international cooperation, and small business.

Functional Management The process of planning, organizing, coordinating, controlling, and directing efforts within a structure which groups responsibilities according to the type of work to be performed.

Fund Availability The status of obligation authority.

Funding Profile Program funding, usually displayed in columnar spread sheet format by years, starting with previous year through current year and out-years.

Funding Wedge Initial funding estimate used to get a program recognized in the FYDP.

Fund Subdivision A segment of an appropriation or other fund, created by funding action as an administrative means of controlling obligations and expenditures within an agency.

Future Years Defense Program (FYDP) (Formerly the Five Year Defense Program). The official DoD document which summarizes forces and resources associated with programs approved by SECDEF. Its three parts are the organizations affected, appropriations accounts (RDT&E, operations & maintenance, etc.) and the 11 major force programs (strategic forces, airlift/sealift, R & D, etc.). R&D is Program 06. Under the biennial PPBS cycle, FYDP is updated in even years in April (POM); October (budget); and then in February (President's budget) of odd years. The primary data element in the FYDP is the Program Element (P.E.).

G

Gantt Chart A graphic portrayal of a project which shows the activities to be completed and the time to complete them is represented by horizontal lines drawn in proportion to the duration of the activity. Some Gantt Charts will be able to show the float for the activity.

General and Administrative (G&A) Costs Any management, financial or other expense incurred or allocated to a business unit for the general management and administration of the business unit as a whole.

General Accounting Office (GAO) An agency of the legislative branch, responsible solely to the Congress, which functions to audit all negotiated government office contracts and investigate all matters relating to the receipt, disbursement, and application of public funds. Determines whether public funds are expended in accordance with appropriations.

General Provisions The mandatory (by law or regulation) clauses for all DoD contracts for the type of procurement involved--sometimes called "boiler plate." The clauses devised particularly for the procurement are called the Special Provisions.

General Purpose Test Equipment Mechanical, hydraulic, electrical, electronics, or other test equipment which, without modification or alteration, has more than one use and is not limited to a special or peculiar research, development, production, maintenance, or test application.

General Specification A general specification covers requirements common to two or more types, classes, grades, or styles of products, services or materials; this avoids the repetition of common requirements in detail specifications. It also permits changes to common requirements to be readily effected. General specifications may also be used to cover common requirements for weapon systems and subsystems.

Given A premise, fact or assumption generally universally accepted at the outset.

Get Well To solve a program problem. Usually implies requirement for or discovery of additional funding.

Go-No Go The decision on whether or not to proceed (with a program).

Goal Something to which one aspires for a program, or, a point aimed at for achievement.

Goldwater-Nichols Name given to the Defense Reorganization Act of 1986, which restructured certain aspects of DoD management. Named for Senator Barry Goldwater and Representative Bill Nichols, co-authors.

Goods Any articles, materials, supplies, or manufactured products, including inspection and test equipment. The term excludes technical data.

Government Acquisition Quality Assurance The function by which the government determines whether a contractor has fulfilled his contract obligations pertaining to quality and quantity.

Government Furnished Equipment (GFE) See Government Furnished Property.

Government Furnished Material (GFM) Material is government property which may be incorporated into or attached to an end item to be delivered under a contract or which may be consumed in the performance of a contract. It includes, but is not limited to, raw and processed material, parts, components, assemblies, and small tools and supplies.

Government Furnished Property (GFP) Property in the possession of or acquired directly by the government, and subsequently delivered to or otherwise made available to the contractor.

Government-Owned Contractor-Operated (GO-CO) A manufacturing plant that is owned by the Government and operated by a contractual civilian organization.

Government-Owned Government-Operated (GO-GO) A manufacturing plant that is both owned and operated by the Government.

Government Purpose License Rights Rights to use, duplicate or disclose technical data for Government purposes only, and to have or permit others to do so for Government purpose only. Government purposes include competitive procurement, but do not include the right to permit others to use for commercial purposes.

Grass Roots Cost Estimate See Engineering Cost Estimate.

Guarantees Congressional language term for contractor warranties. See Warranties.

H

Handling The coordination and integration of all operations embracing packaging, protection, and movement of material by available equipment for short distances.

Hardware (1) Computers: The physical equipment which makes up a computer system, e.g., terminals and storage devices, as opposed to programming software. (2) Weapons, combat equipment, support equipment.

Harmonization Refers to the process, or results, of adjusting differences or inconsistencies in the qualitative basic military requirements of the United States, its allies, and other friendly countries. It implies that significant features will be brought into line so as to make possible substantial gains in terms of the overall objectives of cooperation (e.g., enhanced utilization of resources, standardization and compatibility of equipment). It implies especially that comparatively minor differences in "requirements" should not be permitted to serve as a basis for the support of slightly different duplicative programs and projects.

Head of Contracting Activity (HCA) Agency head authorized to contract for supplies and services. May be delegated to major command heads within an agency. Title is by virtue of position. See Contracting Activity.

Heartburn Appeal An appeal issue that seeks to reverse or amend a decision by a congressional committee adversely affecting the budget. In particular it is an appeal issue identified as being of major concern to SECDEF. Addressed to the chairperson of the next committee scheduled to mark up the budget request. Also, any specific negative reaction to a proposal.

(Out of) Hide Means of funding program, perhaps not planned or scheduled, out of existing service funds without receiving any outside help from Congress or OSD.

Hierarchical Organization The classical or traditional type of organization with one person in charge (program manager) of functional areas (budget, engineering, logistics, etc.) which can be further broken into sub-elements. Example: The program manager (program manager) is at the bottom of the hierarchical ladder; the program manager reports up the chain to a Program Executive Officer (PEO); the PEO reports up to the Service Acquisition Executive (SAE); and the SAE reports to the Defense Acquisition Executive (DAE) who is at the top of the organizational structure.

Highly Sensitive Classified Program An acquisition special access program established in accordance with DoD 5200.1-R, "Information Security Program Regulation," and managed in accordance with DoD Directive 0-5205.7, "Special Access Program Policy." The policies and procedures in DoDD 5000.1 and DoDI 5000.2 apply to these programs unless waived.

Hit Move by Congress or comptroller to reduce service or activity budget, usually by percentage of total obligation authority or set amount.

Host Nation Support Civil and military assistance provided by host nations to allied forces and organizations in peace, transition to war, and wartime.

Human Factors A body of scientific facts about human characteristics. The term covers all biomedical and psychosocial considerations; it includes, but is not limited to, principles and applications in the areas of human engineering, personnel selection, training, life support, job performance aids, and human performance evaluation.

Human Performance The ability of actual users and maintainers to meet the system's performance standards, including reliability and maintainability, under the conditions in which the system will be employed.

I

Idle Time A time interval during which either the workman, the equipment, or both do not perform useful work.

"ilities" The operational and support requirements a program must address (e.g., availability, maintainability, vulnerability, reliability, logistic supportability, etc.)

Implementation The publication of directives, instructions, regulations, and related documents that define responsibilities and authorities and establish the internal management processes necessary to implement the policies or procedures of a higher authority.

Implemented Project A cooperative project for which, subsequent to DoD Component or OSD approval, agreements with one or more allied or friendly nations have been signed and Component funds or PE 0603790D funds (for cooperative R&D under 10 USC 2350a) have been authorized and released.

Implementing Command The command responsible for the acquisition and/or modification of the system (AF).

Impoundment An action by the President that prevents the obligation or expenditure of budget authority. Deferrals and rescissions are the two types of presidential impoundment.

Impoundment Resolution Whenever all or part of any budget authority provided by Congress is deferred, the President must transmit a message to congress describing the deferrals. Either House may, at any time, pass a resolution disapproving this deferral of budget authority, thus requiring that the funds be made available for obligation. When no congressional action is taken, deferrals may remain in effect until, but not beyond, the end of the fiscal year. If the funds remain available beyond the end of a fiscal year and continued deferral of their use is desired, the President must transmit a new special message to Congress. (See also Deferral of Budget Authority; Impoundment.)

Incentive Motivating the contractor in calculable monetary terms (1) to turn out a product that meets significantly advanced performance goals, (2) to improve on the contract schedule up to and including final delivery. (3) to substantially reduce costs of the work, or (4) to complete the project under a weighted combination of some or all of these objectives.

Incremental Funding The provision (or recording) of budgetary resources for a program or project based on obligations estimated to be incurred within a fiscal year when such budgetary resources will cover only a portion of the obligations to be incurred in completing the program or project as programmed. This differs from full funding, where budgetary resources are provided or recorded for the total estimated obligations for a program or project in the initial year of funding. (For distinction, see Full Funding.) Most commonly used for R&D (development) as opposed to production, which must be fully funded.

Indefinite Quantity Contract Provides for furnishing an indefinite quantity, within stated limits, of specific supplies or services, during a specified contract period, with deliveries to be scheduled by the timely placement of orders upon the contractor by activities designated either specifically or by class.

Independent Cost Analysis (ICA) An analysis of program cost estimates conducted by an impartial body disassociated from the management of the program. Also referred to as an ICE (see below).

Independent Cost Estimate (ICE) A cost estimate prepared by an impartial body outside the chain of authority responsible for acquiring or using the goods or services. (See Title 10, United States Code, Section 2434, "Independent cost estimates; operational manpower requirements.")

Independent Government Cost Estimate (IGCE) An estimate of the cost for goods and/or estimate of services to be procured by contract. Such estimates are prepared by government personnel, i.e., independent of contractors.

Independent Research and Development (IR&D) Technical effort by industry which is not sponsored by, or required in performance of, a contract and which consists of projects falling within the areas of (1) basic and applied research, (2) development, and (3) systems and other concept formulation studies. Also, discretionary funds which industry can allocate to projects.

Independent Verification And Validation (IV&V) An independent review of the software product for functional effectiveness and technical sufficiency.

Indirect Cost Pool A grouping of incurred costs identified with two or more cost objectives, but not specifically identified with any final cost objective.

Indirect Costs Costs which because of their incurrence for common or joint objectives, are not readily subject to treatment as direct costs.

Individual Acceptance Test A test of predetermined critical items to verify their operational characteristics prior to assembly into subsystems.

Industrial Base That part of the total private and Government owned industrial production and depot level equipment and maintenance capacity in the United States and its territories and possessions, and Canada. It is or shall be made available in an emergency for the manufacture of items required by the U.S. Military Services and selected Allies.

Industrial Base Factors Analysis An industrial Base Factors Analysis is prepared to assess the near-term and long-range effect of a proposed international agreement on the U.S. defense industrial base. The analysis is to address both the immediate effort and the projected development, production, and/or support of any proposed follow-on effort. Effects on prime and sub-tier industries are to be considered. This information:

1. Is required for all proposed international agreements for research, development and/or production of defense items;
2. Is to be provided by the cognizant DoD component along with other required documentation when a proposed agreement is submitted for OSD approval of authority to negotiate or conclude in accordance with DoD Directive 5530.3;
3. Will be used by OSD, with the Office of the Under Secretary of Defense (Acquisition & Technology) having the lead, during its review of the MOU and preparation of a final industrial base impact assessment.

Industrial Engineering/Detailed Estimate The art and science of utilizing and coordinating personnel, equipment, and materials to attain a desired quantity of output at a specified time and at an optimum cost. This may include gathering, analyzing, and acting upon facts pertaining to building and facilities, layouts, personnel organization, operating procedures, methods, processes, schedules, time standards, wage rates, wage-payment plans, costs, and systems for controlling the quality and quantity of goods and services.

Industrial Facilities Industrial property (other than material, special tooling, military property, and special test equipment) for production, maintenance, research and development, or test, including real property and rights therein, buildings, structures, improvements, and plant equipment.

Industrial Fund A revolving fund established at DoD industrial type activities where products or services are provided external users. The purpose of the fund is to provide a more effective means of controlling costs; establish a flexible means for financing, budgeting and accounting; encourage the creation of buyer-seller relationships; place budgeting and accounting on a more commercial basis; and encourage cross-servicing between military departments. Charges to the fund are made for procurement of materials, services and labor and the fund is reimbursed by proceeds from the sale of products and services.

Industrial Mobilization The process of marshaling the industrial sector to provide goods and services, including construction, required to support military operations and the needs of the civil sector during domestic or national emergencies. It includes the mobilization of materials, labor, capital, facilities, and contributory items and services. Mobilization activities may result in some disruption to the national economy.

Industrial Modernization Incentives Program (IMIP) Provides government incentive to a contractor to invest funds in improvements, which result in reduced acquisition costs.

Industrial Plant Equipment That part of planned equipment exceeding defined acquisition cost thresholds, used for the purpose of cutting, abrading, grinding, shaping, forming, joining, testing, measuring, heating, treating, or otherwise altering the physical, electrical or chemical properties of materials, components or end items, entailed in manufacturing, maintenance, supply, processing, assembly, or research and development operations.

Industrial Preparedness The state of preparedness in industry to produce essential materiel to support the national military objectives.

Industrial Resource Analysis A discrete analysis of industrial base capabilities conducted to determine availability of production resources required to support a major system production program.

Industry The defense industry (private sector contractors) acquisition players include large and small organizations providing goods and services to DoD. Their perspective is to represent interests of the owners or stockholders.

Information System A combination of personnel, efforts, forms, instructions, procedures, data, communication facilities and equipment that provides an organized and interconnected means for displaying information in support of specific functions.

Infrastructure Generally applicable for all fixed and permanent installations, fabrications, or facilities for the support and control of military forces. (JCS)

Inherent Availability Availability of a system with respect only to operating time and corrective maintenance. It ignores standby and delay times associated with preventive maintenance as well as administrative and logistics down time.

Inherent R&M Value Any measure of reliability or maintainability that includes only the effects of item design and installation, and assumes an ideal operating and support environment.

Initial Operational Capability (IOC) The first attainment of the minimum capability to effectively employ a weapon, item of equipment, or system of approved specific characteristics, and which is manned or operated by an adequately trained, equipped, and supported military unit or force.

Initial Operational Test and Evaluation (IOT&E) Operational test and evaluation conducted on production or production representative articles, to support the decision to proceed beyond low-rate initial production. It is conducted to provide a valid estimate of expected system operational effectiveness and operational suitability.

Initial Provisioning The process of determining the range and quantity of items (i.e., spares and repair parts, special tools, test and support equipment) required to support and maintain an item for an initial period of service. Its phases include the identification of items of supply, the establishment of data for catalog, technical manual and allowance list preparation, and the preparation of instructions to assure delivery of necessary support items with related end articles.

Initial Spares Items procured for logistics support of a system during its initial period of operation.

In Process Inventory Control The process whereby materials and parts are effectively and efficiently planned and controlled to assure their availability at the required stage of production.

In-Process Review/Interim Program Review (IPR) Review of a project or program at critical points to evaluate status and make recommendations to the decision authority.

Inspection The examination and testing of supplies and services (including, when appropriate, raw materials, components, and intermediate assemblies) to determine whether they conform to specified requirements.

Installation A fixed or relatively fixed location together with its real estate, buildings, structures, utilities and improvement thereon. It is usually identified with an existing or potential organization and missions or functions.

Integrated Diagnostics An initiative for delivering weapon systems designed for ease of maintenance (with built-in diagnostics) with less test equipment and fewer maintenance specialists. Suggested by industry, it enhances military capabilities by increasing survivability of the support structure and by reducing the logistics task which could degrade unit mobility. By combining the diagnostics equipment into an integrated system, maintenance quality improves.

Integrated Logistic Support (ILS) A disciplined, unified, and iterative approach to the management and technical activities necessary to integrate support considerations into system and equipment design; develop support requirements that are related consistently to readiness objectives, to design, and to each other; acquire the required support; and provide the required support during the operational phase at minimum cost.

Integrated Logistic Support (ILS) Elements The principal elements of ILS include: Maintenance Planning; Manpower and Personnel; Supply Support; Support Equipment; Technical Data; Training and Training Support; Computer Resources Support; Facilities; Packaging, Handling, Storage, and Transportation; and, Design Interface.

Integrated Logistic Support Alternatives/Trade-offs Supporting data from "Lessons Learned" files comparative analysis, technological opportunities, use studies, field visits, alternatives/ standardization requirements, functional and military trade-offs requirements, constraints, maintenance and operational approaches. This information is used in analyses and assessments of support for the identified alternatives system designs, using established lists of design criteria, utility curves, and criteria weights.

Integrated Logistic Support Management Plan Early logistics plan dealing with organizational authorities and responsibilities and containing broad logistics strategy, thresholds and maintenance concepts, etc., updated to identify requirements of support.

Integrated Logistic Support Plan (ILSP) The government's formal planning document for logistics support. It is kept current through the program life and sets forth the plan for operational support, provides a detailed ILS program to fit with the overall program, provides decision-making bodies with necessary ILS information to make sound decisions in system development and production and provides the basis for ILS procurement packages/specifications RFPs, SOWs, source selection evaluation, terms and conditions, and CDRLs.

Integrated Product Development A philosophy that systematically employs a teaming of functional disciplines to integrate and concurrently apply all necessary processes to produce an effective and efficient product that satisfies customer's needs.

Integrated Program Assessment (IPA) A document prepared by the supporting staff or review forum of the milestone decision authority to support Milestone I, II, III, and IV reviews. It provides an independent assessment of a program's status and readiness to proceed into the next phase of the acquisition cycle.

Integrated Program Summary (IPS) A DoD Component document prepared and submitted to the milestone decision authority in support of Milestone I, II, III, and IV reviews. It provides an independent assessment of a program's status and readiness to proceed into the next phase of the acquisition cycle.

Integrated Support Plan (ISP) The contractor's document that establishes the policies, procedures, and methods that will be used to implement the contractor's planning and controlling for all ILS activities related to their weapon system design.

Integrated Product Team A group of selected individuals representing multiple disciplines formed to produce a specific product or service. The individuals selected have mutual as well as individual accountability; contribute to integrated, concurrent decisionmaking; and are empowered within defined limits to decide and act to ensure the realization of the specific product or service.

Integration/Integrator Act of putting together as the final end item various components of a system. The Integrator in acquisition is the "prime prime" contractor.

Intellectual Property Includes inventions, trademarks, patents, industrial designs, copyrights, and technical information including software, data designs, technical know-how, manufacturing information and know-how, techniques, technical data packages, manufacturing data packages, and trade secrets.

Intelligence Report Report provided by the appropriate intelligence agency/command to the milestone decision authority prior to each milestone. For Milestone 0, the report will confirm the validity of the threat contained in the Mission Need Statement. For Milestones I-IV, the report will confirm the validation of the system threat assessment used in support of the program and will address any threat issues or unresolved threat concerns affecting the program.

Interchangeability A condition which exists when two or more items possess such functional and physical characteristics as to be equivalent in performance and durability, are capable of being exchanged one for the other without alteration on the items themselves or of adjoining items, except for adjustment, and without selection for fit and performance.

Interconnection The linking together of interoperable systems.

Interface The functional and physical characteristics required to exist at a common boundary or connection between persons, or between systems, or between persons and systems.

Interference Time A period of time during which one or more machines are not operating because the workman or workmen assigned to operate them are busy operating other machines in their assignment or are performing necessary duties related to operating such other machines such as making repairs, cleaning the machines, or inspecting completed work.

Interim Contractor Support Temporary contractor support that allows the service to defer investment in all or part of the support resources (spares, technical data, support equipment, training equipment, etc.) while the organic capability is being phased in.

Intermediate Level Maintenance That level which maintains/repairs items for which the organizational level is incapable, but which do not have to go to depot level for major work.

Internal Audit The independent appraisal activity within an organization for the review of the accounting, financial and related operations as a basis for protective and constructive services to management.

Internal Control Internal review and internal checks established by the commanding officer to safeguard property and funds; to check accuracy, reliability and timeliness of accounting data to promote operational efficiency; and to ensure adherence to prescribed management policies and procedures.

Internal Replanning Replanning actions performed by the contractor for remaining effort within the recognized total allocated budget.

International Agreement Any agreement concluded with one or more foreign governments or an international organization that (a) is signed or agreed to by any DoD Component personnel; (b) signifies the intent of the parties to be bound by international law; and (c) is denominated as an international agreement or an MOU, memorandum of agreement (MOA), exchange of notes or letters, technical arrangement, protocol, note verbal, aide memoire, contract, arrangement, or any other name connoting a similar legal consequence. The following are not considered international agreements (DoDD 5530.3):

1. Contracts made under the Federal Acquisition Regulations (FAR).
2. Foreign Military Sales Credit Agreements.
3. Foreign Military Sales Letters of Offer and Acceptance and Letters of Intent executed on DD Form 1513, "DoD Letter of Offer and Acceptance" and DD Form 2012, "U.S. Department of Defense Letter of Intent."
4. Standardization Agreements (STANAGs, QSTAGs, ASCC Air Standards, and NAVSTAGs) that record the adoption of like or similar military equipment, ammunition, supplies, and stores or operational, logistic, and administrative procedures (however, a STANAG that provides for mutual support or cross-servicing of military equipment, ammunition, supplies, and stores or for mutual rendering of defense services, including training, is considered to constitute an international agreement).
5. Leases under 10 USC 2667, 2675, and 22 USC 2796.
6. Agreements solely to establish administrative procedures.

7. Acquisitions or orders pursuant to cross-servicing agreements made under the authority of the NATO Mutual Support Act (10 USC 2321 et seq., and DoD Directive 2010.9. (Umbrella agreements, implementing arrangements, and cross-servicing agreements under the NATO Mutual Support Act are international agreements.)

Interoperability The ability of systems, units, or forces to provide services to or accept services from other systems, units, or forces and to use the services so exchanged to operate effectively together.

Inventory Control Point (ICP) The organizational element within a distribution system which is assigned responsibility for system-wide direction and control of materiel including such management functions as the computation of requirements, the initiation of procurement or disposal actions, the development of world-wide quantitative and monetary inventory data, and the positioning and repositioning of materiel.

Inventory Objective The quantity of an item of material that will satisfy the military requirement under specified mobilization conditions. It is based on threat analysis, approved U.S. force projections, combat usage, mobilization training usage, and production capabilities. It does not include quantities required to replace those units consumed, lost, or worn out in the peacetime period which are included in programmed procurement objectives.

Investments/Investment cost RDT&E and production dollars for a system.

Invitation for Bid (IFB) A solicitation document used in sealed bidding.

Issue Something in dispute or to be decided.

Issue Cycle A process followed during OSD review of the POM. It begins in April or May and extends into July and August.

Issue Papers OSD documents defining issues raised during review of the POM.

Items of Intrinsic Military Utility End items other than those identified in the "DoD Militarily Critical Technologies List" whose transfer to potential adversaries shall be controlled for the following reasons: 1. The end product in question could significantly enhance the recipient's military or war-making capability either because of its technology content or because of the quantity to be sold; or, 2. The product could be analyzed to reveal U.S. system characteristics and thereby contribute to the development of countermeasures to equivalent U.S. equipment.

Iteration Repetitive requirement. Examples: numerous re-drafts of a document, or reworking a funding profile to satisfy everyone involved.

J

Job Analysis A detailed examination of a job to determine the duties, responsibilities and specialized requirements necessary for its performance.

Job Lot A relatively small number of a specific type of part or product that is produced at one time.

Job Order (1) A formal instruction to perform certain work according to specifications, estimates, etc. (2) Descriptive of a cost system whereby costs are accumulated by job orders.

Job Shop A manufacturing enterprise devoted to producing special or custom-made parts of products usually in small quantities for specific customers.

Joint Acquisition Program A directed joint effort for the development and procurement of systems, sub- systems, equipment, software, or munitions as well as supporting equipment or systems, with the goal of providing a new or improved capability for a validated joint need. Certain modification programs may be included when they are determined to be of significant interest or priority to the participating services.

Joint Logistics Commanders (JLC) Senior logistics military officers of the Army, Navy, and Air Force: Commander, U.S. Army Materiel Command; Deputy Chief of Naval Operations (Logistics); Commander, Air Force Materiel Command.

Joint Mission Need Statement A MNS that documents a mission operational capability need that applies to and is supported by two or more military services. See MNS.

Joint Operating Procedures (JOPs) These documents should identify and describe detailed procedures and interactions necessary to carry out significant aspects of a joint program. Subjects for JOPs may include Systems Engineering, Personnel Staffing, Reliability, Survivability, Vulnerability, Maintainability, Production, Management Controls and Reporting (Including SAR), Financial Control, Test and Evaluation, Training, Logistics Support, Procurement and Deployment. The JOPs are developed and negotiated by the Program Manager and the participating Services.

Joint Program Any Defense acquisition system, subsystem, component, or technology program that involves formal management or funding by more than one DoD Component during any phase of a system's life-cycle.

Joint Requirements Oversight Council (JROC) A Council, chaired by the Vice Chairman, Joint Chiefs of Staff, that conducts requirements analyses, determines the validity of mission needs and develops recommended joint priorities for those needs it approves, and validates performance objectives and thresholds in support of the Defense Acquisition Board. Council members include the Vice Chiefs of the Army, Navy, and Air Force, and the Assistant Commandant of the Marine Corps.

Joint Services Operational Requirement (JSOR) A document that describes the threat vulnerability and technical requirements for a system to be used for two or more military services. See Operational Requirements Document.

Joint Working Group (JWG) Composed of representatives for the combat and materiel developers and appropriate subject matter experts. The primary purpose is to provide a forum for direct communication facilitating the coordination of requirements documents.

Justification and Approval (J&A) A document required by the Federal Acquisition Regulation that justifies and obtains approval for contracts solicitations that use other than full and open competition.

Just-In-Time A "pull" system, driven by actual demand. Goal is to produce or provide one part just-in-time for the next operation. Reduces stock inventories, but leaves no room for schedule error. As much a managerial philosophy as it is an inventory system.

K

Keystone Equipment Includes manufacturing, inspection, or test equipment and is the required equipment for the effective application of technical information and know-how. Keystone materials have the same significant application.

Know-how Includes both the know-how of design and manufacturing and the know-how and related technical information that is needed to achieve a significant development, production, or use. The term know-how includes services, processes, procedures, specifications, design data and criteria, and testing techniques.

Known-Unknowns Future situations where it is possible to plan for or predict in part. Example: schedule changes are certain; the extent of the changes are unknown.

L

Labor Productivity The rate of output of a workman or group of workers per unit of time, usually compared to an established standard or expected rate of output.

Labor Standards A compilation by time study of standard time for each element of a given type of work.

Labor Surplus Area Concern A concern that, together with its first-tier subcontractors, will perform substantially in labor surplus areas. Performance is deemed to occur substantially in labor surplus areas if the costs incurred under the contract on account of manufacturing, production, or performance of appropriate services in labor surplus areas exceed 50 percent of the contract price.

Landbased Test Site A facility duplicating/simulating as many conditions as possible of a system's planned operational installation and utilization. (Navy)

Lapsed Funds (See Expired Appropriations)

Lead Component/Service The DoD component designated by SECDEF to be responsible for management of a system acquisition involving two or more DoD components in a joint program.

Leader-Follower Concept A government contractual relationship for the delivery of an end item through a prime or subcontract relationship or to provide assistance to another company. (1) Prime contract awarded to established source (leader) who is obligated to subcontract to and assist another source (follower). (2) A contract is awarded to a leader requiring him to assist the follower who has prime contract for production. (3) Prime contract awarded to the follower for production; follower is obligated to subcontract with a designated leader for assistance. (The leader may be producing under another contract).

Learning/Improvement Curve A mathematical way to explain and measure the rate of change of cost (in hours or dollars) as a function of quantity.

Legislative Affairs/Liaison The interaction between DoD (OSD, services and agencies) and Congress. Includes responses to requests for information, preparation of reports, appearances at hearings, etc. Usually coordinated by and conducted through service or agency legislative liaison offices.

Legislative Branch The Legislative Branch (the Congress) acquisition players include the "Defense Committees": the Senate and House Armed Services Committees, Senate and House Appropriations Committees, the Senate and House Budget Committees, other committees having legislative oversight of defense activities, individual Members of the Congress, the Congress as a body, the Congressional Budget Office, and the General Accounting Office. Their perspective is to represent interests of their constituents and pass legislation.

Less-Than-Major Programs In DoD, those remaining acquisition programs not designated by USD (A) as major defense acquisition programs. Also referred to as nonmajor defense acquisition programs, ACATs II, III and IV.

Lessons Learned Capitalizing on past errors in judgment, material failures, wrong timing or other mistakes ultimately to improve a situation or system.

Lethality The probability that weapon effects will destroy the target or render it neutral.

Letter Contract See Undefined Contract Action.

Letters of Allowance Initiated by OMB to DoD containing the President's determinations of what the Defense budget should contain.

Leveled Time The average time adjusted to account for the difference in operator performance, such as skill, effort and conditions.

Level of Effort (LOE) Effort of a general or supportive nature which does not produce definite end products or results; i.e., contract for man-hours.

Leverage The power to act or influence to attain goals or gains. Also, an amplification.

Licensed Production Agreements by U.S. commercial firms with foreign governments/firms to produce weapon systems.

Licensed Production Overseas production of a U.S. origin defense article based on transfer of technical information under commercial arrangements between a U.S. manufacturer and a foreign government or producer. U.S. Government involvement is limited to issuance of an export license.

Life Cycle Cost (LCC) The total cost to the government of acquisition and ownership of that system over its useful life. It includes the cost of development, acquisition, operations and support (to include manpower), and, where applicable, disposal.

Life-Cycle Management Process for administering system hardware, software, or support over its whole life, with emphasis on strengthening early decisions which shape costs and utility.

Life Cycle (Weapon System) All phases of the system's life including research, development, test and evaluation, production, deployment (inventory), operations and support and disposal.

Life Units A measure of use duration applicable to the item (such as operating hours, cycles, distance, rounds fired, attempts to operate).

Limited Production (See Low Rate Initial Production)

Limited Rights In technical data (TD), means rights to use, duplicate or disclose TD in whole or in part, by or for the Government, with the express written permission of the party furnishing the TD be (1) released or disclosed outside the Government; (2) used by the Government for manufacture (or if software documentation, for preparing the same or similar software); or (3) used by party other than the Government except under certain restricted circumstances.

Line Authority DoD officials in the direct chain of authority from SECDEF to the program manager, excluding staffs. The authority to give an order in their own name.

Line of Balance (LOB) A graphic display of scheduled units versus actual units produced over a given set of critical schedule control points on a particular day.

Line Item (Budget) A specific program end item with its own identity (e.g., B-1B Bomber).

Line Production A method of plant layout in which the machines and other equipment required, regardless of the operations they perform, are arranged in the order in which they are used in the process (lay-out by product).

Line Replaceable Unit (LRU) An essential support item removed and replaced at field level to restore end item to an operationally ready condition. (Also called Weapon Replacement Assembly and Module Replaceable Unit.)

Line Stock Parts or components (screws, washers, solder, common resistors, etc.) which are physically identifiable with the product, but which are of very low value, and therefore do not warrant the usual item-by-item costing techniques.

Live Fire Test & Evaluation (LFT&E) Survivability testing and lethality testing required before full-scale production. Must be conducted (unless a waiver is approved by the USD(A&T)) on: a) A covered system (a vehicle, weapons platform, or conventional weapon system designed to provide some degree of protection to the user in combat), b) A major munition or missile program, or c) A product improvement program that will significantly affect the survivability of a covered system.

Live Fire Test & Evaluation Plan Describes the detailed test procedures, test conditions, data collection and analysis processes to be used during the conduct of live fire testing.

Live Fire Test & Evaluation Report Report prepared by the Director, Operational Test & Evaluation on survivability and lethality testing. Submitted to Congress for covered systems prior to the decision to proceed beyond low rate initial production.

Living Specification A specification in which requirements concentrate on form, fit, and function. these requirements are formatted to accommodate readily the insertion of new technology products and advanced manufacturing processes. The specification promotes continuous quality improvement through a responsive feedback system without benefit of a major revision or update.

Local Purchase Authorized purchase of materials, supplies and services by an installation for its own use.

Logistic Interoperability A form of interoperability in which the service to be exchanged is assemblies, components, spares, or repair parts. Logistic interoperability will often be achieved by making such assemblies components, spares, or repair parts interchangeable, but can sometimes be a capability less than interchangeability when a degradation of performance or some limitations are operationally acceptable.

Logistics Support The supply and maintenance of materiel essential to proper operation of a system in the force.

Logistic Support Analysis (LSA) The selective application of scientific and engineering efforts undertaken during the acquisition process, as part of the systems engineering process, to assist in: causing support considerations to influence design, defining support requirements that are related optimally to design and to each other; acquiring the required support; and providing required support during the operational phase at minimum cost.

Logistic Support Analysis Record (LSAR) A formal tool under MIL-STD 1388-2A that uses records/forms to document operations and maintenance requirements, RAM, task analyses, technical data, support/test equipment, facilities, skill evaluation, supply support, ATE and TPS, and transportability. LSAR is the basis for training, personnel, supply provisioning and allowances construction, support equipment acquisition, facilities construction and preparation, and for maintenance--preventative and corrective.

Logistics Supportability The degree to which planned logistics support (including test, measurement, and diagnostic equipment, spares and repair parts, technical data, support facilities, transportation requirements, training, manpower, and software support) allow meeting system availability and wartime usage requirements.

Logistics Support, Supplies, and Services These terms refer to any or all of the following: food, billeting, transportation, petroleum, oils, lubricants, clothing, communications services, medical services, ammunition, base operations support (and construction incident to base operations support), storage services, use of facilities, training services, spare parts and components, repair and maintenance services, and port services.

Long-Lead Items/Long-Lead Time Materials Those components of a system or piece of equipment for which the times to design and fabricate are the longest, and, therefore, to which an early commitment of funds may be desirable in order to meet the earliest possible data of system completion. Might be ordered during EMD to arrive for production start.

Long Range Investment Plans Broad plans based on best estimates of future top-line fiscal resources which form the basis for making long range affordability assessments of acquisition programs. These plans feed into the Defense Planning Guidance (DPG), and along with the DPG support Milestone 0 and I reviews. In accordance with DoDI 5000.2, these plans are prepared by each DoD Component with PPBS responsibility, and are approved by the Deputy Secretary of Defense. Also called "long range investment and modernization plans".

Lot A specific quantity of material manufactured under identical conditions, and assigned an identifying lot number for use, technical, manufacturing, production, and supply purposes.

Lot Acceptance This test is based on a sampling procedure to ensure that the product retains its quality. No acceptance or installation should be permitted until this test for the lot has been successfully completed.

Low Rate Initial Production (LRIP) The production of a system in limited quantity to provide articles for operational test and evaluation, to establish an initial production base, and to permit an orderly increase in the production rate sufficient to lead to full-rate production upon successful completion of operational testing.

M

"M" Account Prior to FY 91 unliquidated obligations under an appropriation were transferred to (merged into) an "M" account at the end of the second full fiscal year following expiration. The "M" account remained available for the payment of unliquidated obligations charged to various-year appropriation accounts. This account ceased to exist on 30 Sep 93. (See Expired Appropriation.)

M-Day The day on which mobilization is to begin.

Machine Controlled Time That part of a work cycle that is entirely controlled by a machine and, therefore, is not influenced by the skill or effort of the worker.

Machine Element A work cycle subdivision that is distinct, describable, and measurable, the time for which is entirely controlled by a machine, and, therefore, not influenced by the skill or effort of the worker.

Maintainability The ability of an item to be retained in or restored to specified conditions when maintenance is performed by personnel having specified skill levels, using prescribed procedures and resources, at each prescribed level of maintenance and repair. (See Reliability, Availability and Maintainability.)

Maintenance (1) The upkeep of property, necessitated by wear and tear, which neither adds to the permanent value of the property nor appreciably prolongs its intended life but keeps it in efficient operating condition. Normally includes "repair" but in Defense, in the case of real property, is distinguished from repair by being limited to recurrent, day-to-day, periodic, or scheduled work required to preserve or restore a real-property facility to such condition that it may be effectively utilized for its designated purpose. (2) Preventive maintenance: deter something from going wrong; or, corrective maintenance: restoration to proper condition.

Maintenance Concept/Plan A description of maintenance considerations and constraints for system/equipment under development. A preliminary maintenance concept is developed and submitted as part of the preliminary system operational concept for each alternative solution candidate by the operating command with the assistance of the implementing and supporting commands. A major driver in design of the system/ equipment and support planned for it.

Maintenance Planning The process conducted to evolve and establish maintenance concepts and requirements for the lifetime of a material system; one of the principal elements of ILS.

Major Assembly An operation in the construction of a section which joins a number of subassemblies.

Major Automated Information System Review Council (MAISRC) The MAISRC is chartered by the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) under the overall guidance with DoDD 5000.1, and operates in accordance with DoDD 8120.1; and DoDI 8120.2, "Automated Information Systems Life-Cycle Management Review and Milestone Approval Procedures." Automated Information Systems that meet ACAT I thresholds may be reviewed by the Defense Acquisition Board.

Major Defense Acquisition Program (MDAP) An acquisition program that is not a highly sensitive classified program (as determined by the Secretary of Defense) and that is: Designated by the Under Secretary of Defense for Acquisition as a major defense acquisition program, or estimated by the Under Secretary of Defense for Acquisition to require: (1) An eventual total expenditure for research, development, test, and evaluation of more than \$300 million in fiscal year 1990 constant dollars, or (2) An eventual total expenditure for procurement of more than \$1.8 billion in fiscal year 1990 constant dollars.

Major Force Program (MFP) A major force program is an aggregation of program elements which reflects a macro-level force mission or a support mission of DoD and contains the resources necessary to achieve an objective or plan. It reflects fiscal time-phasing of mission objectives to be accomplished and the means proposed for their accomplishment.

The FYDP is comprised of 11 (6 combat, 5 support oriented) major force programs:

- a. Program 1 - Strategic Forces
- b. Program 2 - General Purpose Forces
- c. Program 3 - Intelligence and Communications
- d. Program 4 - Airlift and Sealift Forces
- e. Program 5 - Guard and Reserve Forces
- f. Program 6 - Research and Development
- g. Program 7 - Central Supply and Maintenance
- h. Program 8 - Training, Medical, and other General Personnel Activities
- i. Program 9 - Administration and Associated Activities
- j. Program 10 - Support of Other Nations
- k. Program 11 - Special Operations Forces

Major Modification Is defined as a modification program that meets the criteria of Acquisition Category (ACAT) I or II, or is designated as such by the milestone decision authority.

Major Program A term synonymous with "major defense acquisition program."

Major System A combination of elements that will function together to produce the capabilities required to fulfill a mission need, including hardware, equipment, software, or any combination thereof, but excluding construction or other improvements to real property. A system shall be considered a major system if it is estimated by the Under Secretary of Defense for Acquisition to require: An eventual total expenditure for research, development, test, and evaluation of more than \$75,000,000 in fiscal year 1980 constant dollars (approximately \$115,000,000 in fiscal year 1990 constant dollars), or an eventual total expenditure for procurement of more than \$300,000,000 in fiscal year 1980 constant dollars (approximately \$540,000,000 in fiscal year 1990 constant dollars). Synonymous with ACAT II program.

Major System (OMB Circular A-109) That combination of elements that will function together to produce the capabilities required to fulfill a mission need. The elements may include, for example, hardware, equipment, software, construction, or other improvements or real property. Major system acquisition programs are those programs that (1) are directed at and critical to fulfilling an agency mission, (2) entail the allocation of relatively large resources, and (3) warrant special management attention. Additional criteria and relative dollar thresholds for the determination of agency programs to be considered major systems under the purview of this Circular, may be established at the discretion of the agency head.

Make-or-Buy Program That part of a contractor's written plan for the development or production of an end item which outlines the subsystems, major components, assemblies, subassemblies, and parts he intends to manufacture, test-treat, or assemble himself (make), and those he intends to purchase from others (buy).

Management Information System (MIS) An orderly and disciplined accounting and reporting methodology, usually mechanized, which provides for the accurate recordation of data, and the timely extrapolation and transmission of management information used in the decision-making processes.

Management Reserve An amount of the total allocated budget withheld for management control purposes, rather than designated for the accomplishment of a specific task or set of tasks. It is not a part of the Performance Measurement Baseline. Synonymous with reserve.

Man Hour/Month/Year The effort equal to that of one person during one hour/month/year.

Man-Machine Interface Degree of compatibility between the user (individual) and the equipment being used. See Soldier - Machine Interface.

Manpower The total supply of persons available and fitted for Service. "Spaces." Numbers. Indexed by requirements including jobs lists, slots, or billets characterized by descriptions of the required people to fill them.

Manpower Estimate Report (MER) An estimate of the number of personnel required to operate, maintain, support and train for the acquisition upon full operational deployment. Required for all ACAT I programs.

Manpower Scheduling and Loading Effective and efficient utilization and scheduling of available manpower according to their skills to ensure required manufacturing operations are properly coordinated and executed.

Mantech (Manufacturing Technology) Refers to any action which has as its objective: (1) the timely establishment or improvement of the manufacturing processes, techniques, or equipment required to support current and projected programs, and (2) the assurance of the availability to produce, reduce lead time, ensure economic availability of end items, reduce costs, increase efficiency, improve reliability, or to enhance safety and anti-pollution measures.

Manual Element A distinct, describable, and measurable subdivision of a work cycle or operation performed by one or more human motions that are not controlled by process or machine.

Manufacturing The process of making an item by hand, or, especially, by machinery, often on a large scale and with division of labor.

Manufacturing Engineering Preproduction planning and operation analysis applied to specific projects. Other similar functions include sustaining (on-going) engineering, production engineering, and production planning.

Manufacturing Management Production/Capability Review A review accomplished by the program office during source selection to determine each competing contractor's existing and planned manufacturing management system and production capacity to meet all known production requirements of the proposed system considering all current firm and projected business.

Manufacturing Resource Planning Based on philosophy that efficient manufacturing results from clear and concise communication throughout the organization.

Market Research The process used for collecting and analyzing information about the entire market available to satisfy the minimum agency needs to arrive at the most suitable approach to acquiring, distributing and supporting supplies and services.

Market Survey Attempts to ascertain whether other qualified sources capable of satisfying the Government's requirement exist. This testing of the marketplace may range from written or telephone contacts with knowledgeable federal and non-federal experts regarding similar or duplicate requirements, and the results of any market test recently undertaken, to the more for all sources-sought announcements in pertinent publications (e.g., technical/scientific journals, or the Commerce Business Daily), or solicitations for information or planning purposes.

Markup Line-by-line review and approval/disapproval/modification of the defense budget by congressional committees.

Material Elements constituents, or substances of which something is composed or can be made. It includes, but is not limited to, raw and processed material, parts, components, assemblies, fuels and other items which may be worked into a more finished form in performance of a contract.

Material Management Direction and control of those aspects of logistics which deal with materiel, including the functions of identification, cataloging, standardization, requirements determination, procurement, inspection, quality control, packaging, storage, distribution, disposal, maintenance, mobilization planning, industrial readiness planning, and item management classification; encompasses materiel control, inventory control, inventory management and supply management.

Materiel Equipment, apparatus, and supplies used by an organization or institution.

Materiel Developer A command or agency responsible for R&D and production validation of an item. (Army)

Materiel Fielding Plan (MFP) Plan to ensure smooth transition of system from developer to user.

Materiel Fielding and Training The action of checking out equipment functions and operator and maintenance personnel training after production and before turnover to users.

Materiel System A final combination of subsystems, components, parts, and materials that make up an entity for use in combat or in support thereof, either offensively or defensively, to destroy, injure, defeat, or threaten the enemy. It includes the basic materiel items and all related equipment, supporting facilities, and services required for operating and maintaining the system.

Matrix Organization Combines the advantages of the pure functional (traditional) structure and the product organizational structure. The program manager has total responsibility and accountability for program success. Functional managers provide technical and business assistance to the program manager from outside the program management office.

Mean Time Between Failures (MTBF) For a particular interval, the total functional life of a population of an item divided by the total number of failures within the population. The definition holds for time, rounds, miles, events, or other measures of life unit. A basic technical measure of reliability.

Mean Time To Repair (MTTR) The total elapsed time (clock hours) for corrective maintenance divided by the total number of corrective maintenance actions during a given period of time. A basic technical measure of maintainability.

Measure of Effectiveness (MOE) The quantitative expression (sometimes modified by subjective judgment) defined to measure operational capabilities in terms of engagement or battle outcomes.

Measure of Performance (MOP) Measures of performance, such as weight and speed, should relate to MOE such that the effect of a change in the MOP can be related to a change in the MOE.

Memorandum of Agreement (MOA) (1) In contract administration, an agreement between a program manager and a DPRO contract administration office, establishing the scope of responsibility of the CAO with respect to the C/SCSC surveillance functions and objectives, and/or other contract administration functions on a specific contract or program. (2) Any written agreement in principle as to how program will be administered.

Memorandum of Understanding (MOU) Official agreements concluded between the defense ministries of NATO nations and ranking below government-level international treaties. Defacto agreements that are generally recognized by all partners as binding even if no legal claim could be based on the rights and obligations laid down in them.

Methods Engineering The technique that subjects each operation of a given piece of work to close analysis in order to eliminate every unnecessary element or operation and in order to approach the quickest and best method of performing each necessary element or operation. It includes the improvement and standardization of methods, equipment, and working conditions; operator training; the determination of standard times; and occasionally devising and administering various incentive plans.

Methods Study Systematic recording of all activities performed in a job or position of work including standard times for the work performed. Work simplification notes are written during the study.

Metric System of Measurement As used herein, the term means the International System of Units (or SI from the French :Le Systeme International d'Unites") as established by the General Conference on Weights and Measures in 1960, and as interpreted or modified for the United States by the Secretary of Commerce. The terms metric, metric system, and metric units are used interchangeably with the term SI.

Metric System/Metrication A decimal system of weights and measures. Basic units are the meter (39.37") for length and the gram (15.432 grains) for mass and weight.

Micromanagement The notion, perceived or real, of closely detailed scrutiny of a program of activities by one's superiors in the chain of command, or by Congress. Results in second-guessing, reviews, changes, cuts or justification in most cases. A usurpation of authority or responsibility.

Midpoint Pricing Uses a single set of rates that are the average of a pricing future time period in lieu of progressively escalated rates to develop an escalated price estimate.

Midyear Review (1) An update of President's original budget proposal by OMB. Submitted to Congress by 15 July. (2) An examination of specific portions of the budget by the comptroller at approximately the middle of a FY. Primary examination of operations and maintenance appropriations. Also used to release or expedite funding.

Milestone The point when a recommendation is made and approval sought regarding starting or continuing (proceeding to next phase) an acquisition program. Milestones are: 0 (Concept Studies Approval), I (Concept Demonstration Approval), II (Development Approval), III (Production Approval), and IV (Major Modification Decision).

Milestone Decision Authority (MDA) The individual designated to make decisions resulting from milestone reviews of defense acquisition programs. ACAT levels determine the level of milestone decision authority. The MDA for ACAT ID programs is the USD(A&T). The MDA for ACAT IC and ACAT II programs is the DoD Component Head or, if delegated, the Component Acquisition Executive. MDA for ACAT III and IV programs is at the lowest level deemed appropriate by the designation authority

Milestone Reference File A working file provided by the DoD component to the DAB Reference file Executive Secretary at each milestone decision point.

Military Assistance Program The U.S. program for providing military assistance under the Foreign Assistance Act of 1961, as amended and by the Foreign Military Sales Act of 1968.

Military Operational Requirements The formal expression of a military need, responses to which results in development or acquisition of item, equipment's, or systems. (see Operational Requirements Document.)

Military Property Government-owned property designed for military operations. It includes end items and integral components of military weapons systems, along with the related peculiar support equipment which is not readily available as a commercial item. It does not include government material, special test equipment, special tooling or facilities.

Military Utility The military worth of a system performing its mission in a competitive environment including versatility (or potential) of the system. It is measured against the operational concept, operational effectiveness, safety, security and cost/worth. Military utility estimates form a rational basis for making management decisions.

Minimum Acceptable Operational Requirement The value for a particular parameter that is required to provide a system capability that will satisfy the validated mission need. Also known as the performance threshold.

Minimum Buy The purchase of material in standard bulk quantities even though the contract requirement is less than the standard quantity. This is done when price does not increase proportionately for quantities less than the standard quantity.

Minimum Required Accomplishments Necessary tasks that must be completed during an acquisition phase prior to the next milestone decision review. Applies to all acquisition categories and highly sensitive classified programs.

Mission The objective or task, together with the purpose, which clearly indicates the action to be taken.

Mission Area A segment of the defense mission as established by SECDEF. Each DoD component has mission areas (e.g., Navy - antisubmarine warfare; Army - ground combat) for which it must equip its forces.

Mission Area Assessment (MAA) The process by which warfighting deficiencies are determined, technological opportunities for increased system effectiveness and/or cost reduction are assessed, and mission needs identified. Overlaps Mission Need Determination. Also called "Mission Area Analysis."

Mission Critical Computer Resources (MCCR) Computer resources whose function, operation, or use: (1) involves intelligence activities; (2) involves cryptologic activities related to national security; (3) involves command and control of military forces; (4) involves equipment which is an integral part of a weapon or weapons system; or (5) is critical to direct fulfillment of military or intelligence missions.

Mission Critical System A system whose operational effectiveness and operational suitability are essential to successful completion or to aggregate residual combat capability. If this system fails, the mission likely will not be completed. Such a system can be an auxiliary or supporting system, as well as a primary mission system.

Mission Element A segment of a mission area critical to the accomplish of the mission area objectives and corresponding to a recommendation for a major system capability as determined by a DoD Component.

Mission Equipment Any item which is a functional part of a system or subsystem and is required to perform mission operations.

Mission Need A statement of operational capability required to perform an assigned mission or to correct a deficiency in existing capability to perform the mission.

Mission Need Analysis Assesses alternatives in an operational context, identifying what force capabilities would be gained (or foregone) by pursuing any of a designated set of alternatives. Assesses the strengths and weaknesses of a military force when confronting a postulated threat in a specified scenario or set of circumstances (such as force structures, geographic location and environmental conditions).

Mission Need Determination (MND) The process by which DoD Components determine deficiencies in current capabilities and opportunities to provide new capabilities in terms of nonmateriel solutions and/or materiel solutions. The process that leads to a Mission Need Statement (MNS).

Mission Need Statement (MNS) A nonsystem specific statement of operational capability need, prepared IAW format in DoD 5000.2-M. Developed by DoD Components and forwarded to the operational validation authority for validation and approval. Approved MNS go to the milestone decision authority for a determination on whether or not to convene a Milestone 0 review.

Mission Reliability The probability that a system will perform mission essential functions for a given period of time under conditions stated in the mission profile.

Mobilization Base The total of all resources available, or which can be made available, to meet foreseeable wartime needs.

Mock Up A model, built to scale, of a machine, apparatus, or weapon. It is used in examining the construction or critical clearances, in testing a new development, or in teaching personnel how to operate or maintain the actual machine, apparatus, or weapon.

Model A model is a representation of an actual or conceptual system that involves mathematics, logical expressions, or computer simulations that can be used to predict how the system might perform or survive under various conditions or in a range of hostile environments.

Modification A configuration change to a produced configuration item.

Module An independently compilable software component made up of one or more procedures or routines or a combination of procedures and routines.

Multiservice T&E T&E conducted by two or more DoD components for systems to be acquired by more than one DoD component, or for a DoD component's systems that have interfaces with equipment of another DoD component.

Multiyear Procurement A method of competitively purchasing up to 5 years requirements in one contract which is funded annually as appropriations permit. If necessary to cancel the remaining quantities in any year, the contractor is paid an agreed-upon portion of his unamortized nonrecurring start-up costs. Approved by Congress; rationale reviewed by GAO. An exception to DoD Full Funding Policy.

N

National Disclosure Policy Promulgates national policy and procedures in the form of specific disclosure criteria and limitations, definitions of terms, release arrangements, and other guidance required by U.S. departments and agencies having occasion to release classified U.S. information. In addition, it establishes and provides for the management of an interagency mechanism and procedures that are required for the effective implementation of the policy.

National Military Strategy (NMS) Joint Strategic Planning System (JSPS) document developed by the Joint Staff. Provides the advice of the Chairman, Joint Chiefs of Staff, in consultation with the other members of the JCS and the CINCs, to the President, the National Security Council, and the Secretary of Defense on the national military strategy. It is designed to assist the Secretary of Defense in preparation of the Defense Planning Guidance (DPG).

Negligible Contamination Level That level of Nuclear, Biological, and Chemical contamination that would not produce militarily significant effects in previously unexposed and unprotected persons operating or maintaining the system.

Negotiated Contract One obtained by direct agreement with a contractor without sealed bids.

Negotiated Contract Cost The estimated cost negotiated in a cost-plus fixed fee contract, or the negotiated contract target cost in either a fixed-price-incentive contract or a cost-plus-incentive fee contract.

Negotiation Contracting through the use of either competitive or other-than-competitive proposals and discussions. Any contract awarded without using sealed bidding procedures is a negotiated contract.

New Start An item or effort appearing in the President's Budget for the first time; an item or effort that was previously funded in research or exploratory development and is transitioned to advanced or engineering development; or an item or effort transitioning into procurement; appearing in the President's Budget for the first time in the investment area. Often confused with "program initiation", which is an acquisition term that describes the milestone decision that initiates an acquisition program.

Nomenclature Set or system of official names or titles given to items of material or equipment.

Nonappropriated Funds Monies derived from sources other than congressional appropriations, primarily from the sale of goods and services to DoD military and civilian personnel and their dependents and used to support or provide essential morale, welfare, recreational, and certain religious and education programs. Another distinguishing characteristic of these funds is that there is no accountability for them in the fiscal records of the United States Treasury.

Nondevelopmental Item (NDI) a. Any item of supply that is available in the commercial marketplace; b. Any previously developed item of supply that is in use by a department or agency of the United States, a State or local government, or a foreign government with which the United States has a mutual defense cooperation agreement; c. Any item of supply described in subparagraphs a or b, above, that requires only minor modification in order to meet the requirements of the procuring agency; or d. Any item of supply that is currently being produced that does not meet the requirements of subparagraphs a, b, or c, above, solely because of the item is not yet in use of is not yet available in the commercial marketplace.

Nonmajor Defense Acquisition Program A program other than a major defense acquisition program (ACAT I) or a highly sensitive classified program.

Non-Major System A full system that does not qualify as a major system or performs a major function of a complete system that is either within a major or another non-major system.

Nonmateriel Solution Solutions to mission needs (warfighting deficiencies) that can be satisfied by changes in doctrine, tactics, operational concepts, training or organizations.

Nonrecurring Costs (1) Costs which are not proportional to the number of units produced. (2) a one-time cost that will occur on a periodic basis for the same organization. Nonrecurring costs include (a) Preliminary design effort, (b) Design engineering, (c) All partially completed reporting elements manufactured for tests, (3) Training of service instructor personnel.

Nuclear, Biological, and Chemical Contamination (NBCC) The deposit and/or absorption of residual radioactive material or biological or chemical agents on or by structures, areas, personnel, or objects. Nuclear (N) Contamination: Residual radioactive material resulting from fallout or rainout, and residual radiation from a system produced by a nuclear explosion (e.g., nuclear indirect gamma activity (NIGA)), and persisting longer than one minute after burst. Biological (B) Contamination: Microorganisms and toxins that cause disease in man, plants, or animals or cause the deterioration of materiel. Chemical (C) Contamination: Chemical substances intended for use in military operations to kill, seriously injure, incapacitate, or temporarily irritate or disable man through their physiological effects.

Nuclear, Biological, and Chemical Contamination Survivability The capability of a system (and its crew) to withstand a Nuclear, Biological, and Chemical contaminated environment and relevant decontamination without losing the ability to accomplish the assigned mission. A Nuclear, Biological, and Chemical contamination survivable system is hardened against Nuclear, Biological, and Chemical contamination and decontaminants; it can be decontaminated, and is compatible with individual protective equipment.

Hardness: The capability of material to withstand the materiel-damaging effects of Nuclear, Biological, and Chemical contamination and relevant decontaminants. **Decontamination:** The process of making personnel and materiel safe by absorbing, destroying, neutralizing, making

harmless, or removing chemical or biological agents, or by removing radioactive material clinging to or around it. **Compatibility:** The capability of a system to be operated, maintained, and resupplied by persons wearing a full complement of individual protective equipment, in all climates for which the system is designed, and for the period specified in the operational requirements document.

Nuclear Hardness A quantitative description of the resistance of a system or component to malfunction (temporary and permanent) and/or degraded performance induced by a nuclear weapon environment. Measured by resistance to physical quantities such as overpressure, peak velocities, energy absorbed, and electrical stress. Hardness is achieved through adhering to appropriate design specifications and is verified by one or more test and analysis techniques.

Nuclear Survivability The capability of a system to operate during and/or after exposure to a nuclear environment. Survivability may be achieved by a number of methods, including proliferation, redundancy, avoidance, reconstitution, deception, and hardening.

Nuclear Survivability Characteristics A quantitative description of the system features needed to meet its survivability requirements. Such system features include those design, performance, and operational capabilities used to limit or avoid the hostile environment, architectures that minimize the impact of localized damage to the larger wartime mission, as well as physical hardening to environment levels which cannot be mitigated otherwise.

Numerical Control Tape controlled machine operation which provides high repeatability for multiple process steps.

O

Objective A value beyond the threshold that could potentially have a measurable, beneficial impact on capability or operations and support above that provided by the threshold value (e.g., additional range that might reduce the number of refueling systems required or improve survivability by being able to avoid additional enemy defenses).

Obligated Balance The amount of budget authority (BA) committed for specific purposes but not actually spent.

Obligation A duty to make a future payment of money. The duty is incurred as soon as an order is placed, or a contract is awarded for the delivery of goods and the performance of services. The placement of an order is sufficient. An obligation "legally" encumbers a specified sum of money which will require outlay(s) or expenditures in the future.

Obligation Authority (1) A congressional authorization to procure goods and services within a specified amount by appropriation or other authorization; (2) The administrative extension of such authority, as by apportionment or funding; (3) The amount of authority so granted.

Offer A response to a solicitation that, if accepted, would bind the offeror to perform the resultant contract.

Offset Agreements Any agreement made by DoD to purchase foreign items to offset some specific amount or percentage of that country's expenditures in the U.S. for U.S. defense items.

Off-the-Shelf Procurement of existing systems or equipment without an RDT&E program or with minor development to make system suitable for DoD needs. May be commercial system/equipment or one already in DoD inventory. See Non-Developmental Item.

OMB Circular A-109 Establishes executive policy for acquisition of major systems. Applies to all executive branch agencies. Contains management principles for conduct of systems acquisition that are implemented for DoD by DoDD 5000.1 and DoDI 5000.2. Within DoD, these management principles pertain to major defense acquisition programs, non-major defense acquisition programs, and highly sensitive classified programs.

One Year Appropriations Appropriations generally used for current administrative, maintenance, and operational programs, including the procurement of items classified as "expense." These appropriations are available for obligation for one fiscal year.

Operating and Support (O&S) Cost Those resources required to operate and support (O&S) a system, subsystem, or a major component during its useful life in the operational inventory.

Operating Budget The annual budget of an activity stated in terms of Budget Classification Code, functional/subfunctional categories and cost accounts. It contains estimates of the total value of resources required for the performance of the mission including reimbursable terms of total work units identified by cost accounts.

Operating Costs Those program costs necessary to operate and maintain the capability. These costs include Military Personnel and Operations and Maintenance.

Operating Time The time during which the system is operating in a manner acceptable to the operator.

Operation (1) The intentional changing of an object in any of its physical or chemical characteristics; (2) the assembly or disassembly of parts or objects; (3) the preparation of an object for another operation, transportation, inspection, or storage; (4) planning, calculating, or the giving or receiving of information; (5) military action using deployed forces.

Operation and Support (O&S) The fifth phase of the acquisition process. Overlaps Phase Four, Production and Deployment. O&S begins as soon as the first production systems are fielded.

Operation and Support Cost Parameters Major programs using DTC are required to have O&S cost goals established in the form of some measurable parameters which can be monitored during test and evaluation as well as operation. These O&S parameters are to be established by the PM, subject to review for adequacy, to influence the design and to control O&S costs. They are to be contract goals for achievement by the contractor.

Operation Process Chart Identifies the successive operations, in their required sequence, for producing a product (component).

Operational Assessment An evaluation of operational effectiveness and operational suitability made by an independent operational test activity, with user support as required, on other than production systems. The focus of an operational assessment is on significant trends noted in development efforts, programmatic voids, areas of risk, adequacy of requirements, and the ability of the program to support adequate operational testing. Operational assessments may be made at any time using technology demonstrators, prototypes, mockups, engineering development models, or simulations but will not substitute for the independent operational test and evaluation necessary to support full production decisions.

Operational Availability The degree (expressed in terms of 1.0 or 100% as the highest) to which one can expect an equipment or weapon systems to work properly when it is required. The equation is uptime over uptime plus downtime, expressed as Ao. It is the quantitative link between readiness objectives and supportability.

Operational and Organizational Plan Describes how an Army system will be integrated into the force structure, deployed, operated and supported in peacetime and wartime.

Operational Capability The measure of the results of the mission, given the condition of the systems during the mission (dependability).

Operational Climatic Testing Tests addressing the upper and lower bands of the climatic spectrum, ranging from severe European winter to Mid-East summer. These tests will provide an assessment of operational suitability of a system under the climate conditions it is most likely to encounter in actual usage.

Operational Constraints Initially identified in the Mission Need Statement. As a minimum, these constraints will consider the expected threat and natural environments, the possible modes of transportation into and within expected areas of operation, the expected electronic warfare environment, the potential for NATO application, operational manning limitations, and existing infrastructure support capabilities.

Operational Effectiveness The overall degree of mission accomplishment of a system when used by representative personnel in the environment planned or expected (e.g., natural, electronic, threat etc.) for operational employment of the system considering organization, doctrine, tactics, survivability, vulnerability, and threat (including countermeasures, initial nuclear weapons effects, nuclear, biological, and chemical contamination (NBCC) threats).

Operational Reliability and Maintainability Value Any measure of reliability or maintainability that includes the combined effects of item design, quality, installation, environment, operation, maintenance, and repair.

Operational Requirements User-or user representative-generated validated needs developed to address mission area deficiencies, evolving threats, emerging technologies or weapon system cost improvements. Operational requirements form the foundation for weapon system unique specifications and contract requirements.

Operational Requirements Document (ORD) Documents the users objectives and minimum acceptable requirements for operational performance of a proposed concept or system. Format has been standardized across all DoD Components by DoDI 5000.2 and DoD 5000.2-M.

Operational R&M Value Any measure of reliability or maintainability that includes the combined effects of item design, quality, installation, environment, operation, maintenance, and repair.

Operational Suitability The degree to which a system can be placed satisfactorily in field use with consideration being given to availability, compatibility, transportability, interoperability, reliability, wartime usage rates, maintainability, safety, human factors, manpower supportability, logistic supportability, natural environmental effects and impacts, documentation, and training requirements.

Operational System Development A funding category including R&D effort directed towards development, engineering and test of systems, support programs, vehicles and weapons that have been approved for production and deployment. "6.7" budget activity of the RDT&E appropriation.

Operational Test and Evaluation (OT&E) The field test, under realistic conditions, of any item (or key component) of weapons, equipment, or munitions for the purpose of determining the effectiveness and suitability of the weapons, equipment, or munitions for use in combat by typical military users; and the evaluation of the results of such tests.

Operational Test Plan (OTP) Documents specific operational test scenarios, objectives, measures of effectiveness, threat simulation, detailed resources, known test limitations and the methods for gathering, reducing and analyzing data.

Operational Transition Period Begins with delivery of first production article and extends to program management responsibility transition.

Operational Utility Evaluation USAF document which helps acquisition decision makers ensure that marginal benefits, in terms of operational utility, are sound. Conducted during early system development by AFOTEC to assess how well the system will meet user requirements.

Operations Security Protection of military operations and activities resulting from identification and subsequent elimination or control of indicators susceptible to hostile operations.

Optimum Repair Level Analysis A trade study conducted by a contractor as part of the system/equipment engineering analysis process. A basis on which to evolve an optimum approach to repair recommendations concurrent with the design and development process. Also referred to as Repair Level Analysis or Level of Repair Analysis.

Option A contractual clause permitting an increase in the quantity of supplies beyond that originally stipulated or an extension in the time for which services on a time basis may be required.

Ordering Activity An activity which originates a requisition or order for procurement, production, or performance of work or services by another activity.

Organizational Level Maintenance The maintenance and repair performed by the activity level (organization) which uses the system's equipment, within the activity's capability.

Original Budget The budget established at, or near, the time the contract was signed, based on the negotiated contract cost.

Other Plant That part of plant equipment, regardless of dollar value, which Equipment is used in or in conjunction with the manufacture of components or end items relative to maintenance, supply, processing, assembly or research and development operations, but excluding items categorized as industry plant equipment.

Outfitting See Provisioning.

Outlays Actual expenditures. Checks issued, interest occurred on the public debt, or other payments, net of refunds and reimbursements. Total budget outlays consist of the sum of the outlays from appropriations and funds in the budget, less receipts.

Out-of-Court Settlement An out-of-court settlement resolves a major issue, which during program review presents an alternative to a proposal in the POM. It is known as out-of-court because the issue was resolved outside the deliberation of the Defense Resources Board. The settlement reflects agreement reached through working-level negotiations between members of the services and OSD.

Output (1) In contracting, the desired results from the contractor. (2) In ADP, the result of what the computer is asked to do when activated.

Output Standard Specifies the number of items or amount of services that should be produced in a specific amount of time by a specific method.

Out-Years Normally, 6 years beyond the year being worked in the upcoming budget. If budget FY 1996-1997 is being prepared, out-years are FY 1998-2004. Also used to refer to years beyond the current FYDP, e.g. FYDP covers 1996-2001, outyears are 2002 and beyond.

Overhead See Indirect Costs.

Oversight Review activity by congressional committees of DoD programs to determine current status, if the law or other desires of the Congress are being followed, or a basis for possible future legislation.

P

Packaging The process and procedures used to protect material. It includes cleaning, drying, preserving, packaging, marking and utilization.

Packard Commission President's Blue Ribbon Commission on Defense Management, 1986. Made number of significant recommendations on re-organization of JCS, defense command structure and defense acquisition process. Many of these were enacted into law or instituted within DoD.

Packing, Handling, Storage & Transportation (PHS&T) The resources, processes, procedures, design considerations, and methods to that ensure all system, equipment, and support items are preserved, packaged, handled, and transported properly including: environmental considerations, equipment preservation requirements for short-and-long-term storage, and transportability. One of the principle elements of ILS.

Parameter A determining factor or characteristic. Usually related to performance in developing a system.

Parametric Cost Estimate A cost estimating methodology using statistical relationships between historical costs and other program variables such as system physical or performance characteristics, contractor output measures, manpower loading, etc. Also referred to as a top-down approach.

Participants in Defense Acquisition The three major participants (players) in defense acquisition are the Executive and Legislative branches of the Federal Government, and defense Industry.

Participating Service A military Service that supports the lead service in the development of a joint acquisition program by its contribution of personnel and/or funds.

Performance Those operational and support characteristics of the system that allow it to effectively and efficiently perform its assigned mission over time. The support characteristics of the system include both supportability aspects of the design and the support elements necessary for system operation.

Performance Measurement Baseline The time-phased budget plan against which contract performance is measured. It is formed by the budgets assigned to scheduled cost accounts and the applicable indirect budgets. It equals the total allocated budget less management reserve.

PERT (See Program Evaluation Review Technique).

PERT Chart A graphic portrayal of milestones, activities and their dependency upon other activities for completion, and depiction of the critical path.

Phases (See Acquisition Life Cycle)

Physical Configuration Audit (PCA) Physical examination to verify that the configuration item(s) "as built" conforms to the technical documentation which defines the item. Approval by the government program office of the CI product specification and satisfactory completion of this audit establishes the product baseline. May be conducted on first full production or first LRIP item.

Piece Part A single piece not normally subject to disassembly without destruction or impairment of use, such as resistors, transistors, relays, gears.

Pilot Line Items Production items manufactured to confirm production feasibility.

Pilot Line/Tooling Costs to acquire a limited number of representative items for test, including the test items, will be funded by RDT&E. All items and costs beyond the quantity sufficient to test for operations suitability will be financed by other appropriations.

Pilot Production Production line normally established during EMD to test new manufacturing methods and procedures. Normally funded by RDT&E until the line is proven.

Planner The designated person or office responsible for developing and maintaining a written plan, or for the planning function in those acquisitions not requiring a written plan.

Planning, Programming, and Budgeting System (PPBS) The primary resource allocation process of DoD. One of three major decisionmaking support systems for defense acquisition. It is a formal, systematic structure for making decisions on policy, strategy, and the development of forces and capabilities to accomplish anticipated missions. PPBS is a cyclic process containing three distinct, but interrelated phases: planning, which produces Defense Planning Guidance (DPG); programming, which produces approved Program Objectives Memorandum (POM) for the Military Departments and Defense Agencies; and budgeting, which produces the DoD portion of the President's national budget. DoD PPBS is a biennial process starting in February of each odd numbered year with national security guidance to initiate the planning phase, and ending in February of the next odd numbered year with the President's budget submission to Congress.

Point of Contact (POC) Person serving as coordinator, action officer or focal point for an activity.

Post-Deployment Software Support (PDSS) Software support activities that occur during the deployment phase of the system life-cycle.

Post-Production Support Systems management and support activities necessary to ensure continued attainment of system readiness objectives with economical logistic support after cessation of production of the end item (weapon system or equipment).

Pre-Award Survey (Facility Capability Review) Study of a prospective contractor's financial, organizational, and operational status made prior to contract award to determine his responsibility and eligibility for government procurement.

Preliminary Design Review (PDR) Review conducted to ascertain if the preliminary design is to be committed to detailed design. Conducted for each configuration item to evaluate the progress, technical adequacy and risk resolution of the selected design approach, to determine its compatibility with performance and engineering requirements of the development specification; and to establish the existence and compatibility of the physical and functional interfaces among the item and other items of equipment, facilities, computer programs and personnel.

Pre-Planned Product Improvement (P³I) Planned future evolutionary improvement of developmental systems for which design considerations are effected during development to enhance future application of projected technology. Includes improvements planned for ongoing systems that go beyond the current performance envelope to achieve a needed operational capability.

Pre-Production Prototype An article in final form employing standard parts, representative of articles to be produced subsequently in a production line.

Preproduction Qualification Test The formal contractual tests that ensure design integrity over the specified operational and environmental range. These tests usually use prototype or preproduction hardware fabricated to the proposed production design specifications and drawings. Such tests include contractual reliability and maintainability demonstrations tests required prior to production release.

Preproposal Conference In negotiated procurement, a meeting held with potential contractors a few days after Requests for Proposals have been sent out, to promote uniform interpretation of work statements and specifications by all prospective contractors. See also Bidders Conference.

President's Budget The Federal Government budget for a particular fiscal year transmitted on first Monday in February to Congress by the President in accordance with the Budget Enforcement Act of 1992. Includes all agencies and activities of the executive, legislative and judicial branches.

Presolicitation Conference A meeting held with potential contractors prior to a formal solicitation, to discuss technical and other problems connected with a proposed procurement. The conference is also used to elicit the interest of prospective contractors in pursuing the task.

Preventive Maintenance All actions performed in an attempt to retain an item in specified condition by providing systematic inspection, detection, and prevention of incipient failures (MIL-STD-1388-1A).

Price Level Index A factor used to convert constant dollar amounts from one year to another.

Prime Contract A contract agreement or purchase order entered into by a contractor with the government.

Prime Contractor A contractor having responsibility for design control and delivery of a system or equipment such as aircraft, engines, ships, tanks, vehicles, guns and missiles, ground communications and electronic systems, ground support equipment, and test equipment.

Privity Relationship of having a contract.

Probability of Kill (Pk) The lethality of a weapon system. Generally refers to armaments. (i.e., missiles, ordnance, etc.) Usually the statistical probability that the weapon will detonate close enough to the target with enough effectiveness to disable the target.

Process (1) The combination of people, equipment, materials, methods, and environment that produce output--a given product or service. A process can involve any aspect of a business. A key tool for managing processes is statistical process control, (2) a planned series of actions of operations which advances a material or procedure from one stage of completion to another, and (3) a planned and controlled treatment that subjects materials to the influence of one or more types of energy for the time required to bring about the desired reactions or results.

Process Layout A method of plant layout in which the machines, equipment, and areas for performing the same or similar operations are grouped together, i.e., layout by function.

Process Sheet A document, originating in manufacturing engineering and sent to the production floor, which describes and illustrates methods and tools to be used in fabricating or assembling specific parts or subassemblies.

Procurement Act of buying goods and services for the Government.

Procurement Data Package Includes documentation prepared expressly for the identification, description and verification of items, materials, supplies, and services that are to be purchased, inspected, packaged, and packed and supplied or delivered to users.

Procurement Executive See Senior Procurement Executive.

Procurement Lead Time The interval in months between the initiation of procurement action and receipt into the supply system of the production model (excluded prototypes) purchased as the result of such actions, and is composed to two elements, production lead time and administrative lead time.

Procurement (Local) Procurement of materiel or services by an installation or its satellite activities or smaller stations; such procurement overseas is by a military command for consumption within the command area. (Distinguished from central procurement.)

Procurement Plan The principal long-range procurement planning document charting the course of major procurement programs over their life cycle, keyed to the DoD FYDP.

Procurement Request Document which describes the required supplies or services so that a procurement can be initiated. Some procuring activities actually refer to the document by this title; others use different titles such as Procurement Directive. Combined with specifications, the SOW and CDRL, it is called the PR Package, a basis for solicitation.

Procuring Activity Unless agency regulations specify otherwise, the term shall be synonymous with contracting activity.

Procuring Contracting Officer (PCO) The individual authorized to enter into contracts for supplies and services on behalf of the government by sealed bids or negotiations who is responsible for overall procurement of the contract.

Producibility The relative ease of manufacturing an item or system. This is governed by the characteristics and features of a design that enable economical fabrication, assembly, inspection, and testing using available manufacturing techniques.

Producibility Engineering and Planning (PEP) Applies to production engineering tasks to ensure a smooth transition from development into production. PEP, a systems and planning engineering approach, assures that an item can be produced in the required quantities and in the specified timeframe, efficiently and economically, and will meet necessary performance objectives within its design and specification constraints. As an essential part of all engineering design, it is intended to identify potential manufacturing problems and suggest design and production changes or schedule trade-offs which would facilitate the production process.

Producibility Review A review of the design of a specific hardware item or system to determine the relative ease of producing it using available production technology considering the elements of fabrication, assembly, inspection and test.

Product (1) The result of research, development test and evaluation in terms of hardware or software being produced (manufactured). Also known as end item. (2) The item stipulated in a contract to be delivered under the contract (i.e., service, study, hardware, etc.)

Product Assurance Plan Implements a product assurance program including reliability, availability and maintenance, quality hardware and software and system assessment to ensure user satisfaction, mission and operational effectiveness and performance to specified requirements.

Product Baseline The initially approved documentation describing: all of the necessary functional and physical characteristics of the configuration item (CI); any required joint and combined operations; the selected functional and physical characteristics designated for production acceptance testing; and tests necessary for deployment/installation, support, training and disposal of the CI. The baseline is established at the physical configuration audit and normally includes product, process and material specifications, engineering drawings, and other related data.

Product Centers Major subordinate organizations reporting to Air Force Materiel Command: Aeronautical Systems Center, Electronics Systems Center, Space and Missile Systems Center, and Human Systems Division.

Product Configuration Identification The current approved technical documentation which defines the configuration of a configuration item during the production, operation, maintenance, and support phases of its life cycle and which prescribes that necessary for: (1) form, fit and function characteristics of a CI, (2) the selected functional characteristics selected for production acceptance testing, and (3) the production acceptance tests.

Product Improvement Effort to incorporate a configuration change involving engineering and testing effort on end items and depot repairable components, or changes on other than developmental items to increase system or combat effectiveness or extend useful military life. Usually results from feedback from the users.

Product Manager Army program manager, who is delegated authority and assigned responsibility for centralized management of a development or acquisition program that does not qualify for project management.

Product Manufacturing Breakdown Takes the product physical description and decomposes it into demands for specific types of manufacturing capability. This Breakdown establishes the baseline for determination of the types of personnel and manufacturing facilities which will be required. It can also serve as the basis for establishing the time requirements for individual manufacturing operations involved in developing the required schedule relationships.

Product Organization An organizational structure centered on products, or components of a major system, with product managers reporting to a program manager or other central authority.

Production The process of converting raw materials by fabrication into required material. It includes the functions of production-scheduling, inspection, quality control, and related processes.

Production Acceptance Test and Evaluation T&E of production items to demonstrate that items procured fulfill requirements and specifications of the procuring contract or agreements.

Production and Deployment The fourth phase in the acquisition process following Milestone III. Operational and support systems are procured; items are manufactured; operational units are trained and the systems are deployed.

Production Article The end item under initial or full rate production.

Production Baseline The Acquisition Program Baseline (APB) approved at Milestone III, Production Approval.

Production Capacity Review A review of a contractor's currently available and planned availability or production resources to determine the resources which could be committed to a proposed program and the expected facility utilization level.

Production Center The area containing the machine or machines operated by workers as well as the space required for storage of materials at the machine and for loading and unloading it.

Production Control The procedure of planning, routing, scheduling, dispatching, and expediting the flow of materials, parts, subassemblies, and assemblies within the plant from the state to the finished product in an orderly and efficient manner.

Production Engineering The application of design and analysis techniques to produce a specified product. Included are the functions of planning, specifying, and coordinating the application of required resources; performing analyses of producibility and production operations, processes, and systems; applying new manufacturing methods, tooling, and equipment; controlling the introduction of engineering changes; and employing cost control techniques.

Production Equipment Maintenance The task of inspecting, servicing, and adjustments to the fabrication equipment to achieve minimum interruption of the manufacturing flow.

Production Feasibility The likelihood that a system design concept can be produced using existing production technology while simultaneously meeting quality, production rate, and cost requirements.

Production Feasibility Review A review of a system design concept to estimate the likelihood that the concept can be produced using existing production technology while simultaneously meeting quality, production rate and cost requirements.

Production Line Balancing Balancing a production line means to plan its operation so that the rate of materials which flow through all work stations is as nearly uniform as practicable.

Production Management The effective use of resources to produce on-schedule the required number of end items that meet specified quality, performance, and cost. It includes but is not limited to industrial resource analysis, producibility assessment, producibility engineering and planning, production engineering, industrial preparedness planning, post production planning, and productivity enhancement.

Production Management Techniques The technique utilized by the contractor to determine the progress of the production program.

Production Plan The document which describes the employment of the manufacturing resources to produce the required products or systems, on time, and within cost constraints.

Production Plan Review A review conducted to approve or disapprove a contractor prepared and submitted production plan.

Production Planning The broad range of activities initiated early in the acquisition process, and continued through a production decision, to ensure an orderly transition from development to cost-effective rate production or construction.

Production Proveout A technical test conducted prior to production testing with prototype hardware to determine the most appropriate design alternative. This testing may also provide data on safety, the achieveability of critical system technical characteristics, refinement and ruggedization of hardware configurations, and determination of technical risks.

Production Qualification Test (PQT) A technical test conducted post-MS III to ensure the effectiveness of the manufacturing process, equipment and procedures. This testing also serves the purpose of providing data for the independent evaluation required for materiel release so that the evaluator can address the adequacy of the materiel with respect to the stated requirements. These tests are conducted on a number of samples taken at random from the first production lot, and are repeated if the process or design is changed significantly, and when a second or alternative source is brought on line.

Production Readiness The state or condition or preparedness of a system program to proceed into production. A system is ready for production when the competence and producibility of the production design and the managerial and physical preparations necessary for initiating and sustaining a viable production effort have progressed to the point where a production commitment can be made without incurring unacceptable risks that will breach thresholds of schedule, performance, cost, or other established criteria.

Production Readiness Review (PRR) A formal examination of a program to determine if the design is ready for production, production engineering problems have been resolved, and the producer has accomplished adequate planning for the production phase. Performed toward end of EMD.

Production Representative/Production Configuration System that can be used for EMD phase Initial Operational Test and Evaluation (IOT&E). A mature Engineering Development Model (EDM), or a Low Rate Initial Production (LRIP) system in its final configuration, conforming to production specifications and drawings. System level Critical Design Review (CDR), qualification testing, and Functional Configuration Audit (FCA) should have been

completed. While desirable, the item does not have to be manufactured using production tooling or processes.

Production Schedules Chronological controls used by management to regulate efficiently and economically the operational sequences of production.

Productivity The actual rate of output or production per unit of time worked.

Productivity Enhancement The use of contract incentives and other techniques to provide the environment motivation and management commitment to increase production efficiencies.

Products All items, materiel, material, data, software, supplies, systems, assemblies, subassemblies, or portions thereof produced, purchased, developed or otherwise used by DoD.

Profit The excess of the amount realized from sales of goods over the cost thereof in a given transaction or over a given period.

Profit Center A discrete, organizationally independent segment of a company, which has been charged by management with profit and loss responsibilities.

Profit (Excess) Profit over and above an established dollar or percentage limit.

Program (1) A DoD acquisition program; (2) as a verb, means to schedule funds to meet requirements and plans; (3) a major, independent part of a software system; (4) a combination of program elements designed to express the accomplishment of a definite objective or plan.

Program (Acquisition) A defined effort funded by RDT&E and/or procurement appropriations with the express objective of providing a new or improved capability in response to a stated mission need or deficiency.

Program Acquisition Cost The estimated cost of development (RDT&E), procurement, and system specific military construction (MILCON) necessary to acquire the defense system. RDT&E costs are accumulated from the point in time when the DoD acquisition program is designated by title as a program element or major project within a program element. MILCON costs include only those projects that directly support and uniquely identify with the system.

Program Acquisition Quantity The total number of fully configured end items (to include R&D units) a DoD component intends to buy through the life of the program, as approved by USD(A). This quantity may extend beyond the FYDP years but shall be consistent with the current approved program.

Program Baseline (See Acquisition Program Baseline)

Program Budget Decision (PBD) SECDEF decision documents which affirm or change dollar amounts or manpower allowances in the services' budget estimate submissions.

Program Change Decision A decision by SECDEF issued in a prescribed format that authorizes changes in the structure of the FYDP.

Program Change Request Prepared in a prescribed format, it is a proposal for out-of-cycle changes to data recorded in the approved FYDP.

Program Cost Categories (a) Research, Development Test & Evaluation (RDT&E) appropriations fund the efforts performed by contractors and government activities, including procurement of end items, weapons, equipment, components, materials and services required for development of equipment, material, computer application software, and its development and initial operational test and evaluation. RDT&E also funds the operation of dedicated R&D installations activities for the conduct of R&D programs.

(b) Procurement appropriations fund those acquisition programs that have been approved for production (to include LRIP of acquisition objective quantities), and all costs integral and necessary to deliver a useful end item intended for operational use or inventory upon delivery.

(c) Operations & Maintenance appropriations fund expenses such as civilian salaries, travel, minor construction projects, operating military forces, training and education, depot maintenance, stock funds, and base operations support.

(d) Military Personnel appropriations fund costs of salaries and other compensation for active and retired military personnel and reserve forces based on end strength.

(e) Military Construction appropriations fund major projects such as bases, schools, missile storage facilities, maintenance facilities, medical/dental clinics, libraries, and military family housing.

Costs budgeted in the O&M and Military Personnel appropriations are considered **expenses**. Costs budgeted in the Procurement and Military Construction appropriations are considered **investments**. Costs budgeted in the RDT&E and Family Housing appropriations include both expenses and investments.

Program Cost Reporting Reporting requirements prescribed in DoD Instructions which provide for comparable program costs and related data on R&D activities and hardware items for use in program cost validation and progress and status analysis.

Program Decision Meeting (PDM) Navy or Marine Corps review forum to advise the Navy Acquisition Executive for decisions on acquisition programs at various levels.

Program Decision Memorandum (PDM) SECDEF's approval of Military a Department or a Defense Agency Program Objectives Memorandum (POM). Issued after Defense Resources Board deliberations in July or August every two years during biennial PPBS.

Program Deviation Reports Reports baseline breaches to the Defense and Service Acquisition Reports Executives, and when appropriate to Congress.

Program Element (PE) The 11 major force programs are subdivided into Program Elements. The program element is the basic building block of the FYDP. It is defined as "an integrated combination of men, equipment and facilities which together constitute and identifiable military capability or support activity". It identifies the mission to be undertaken and the organizational entities to perform the mission. Elements may consist of forces, manpower, materials, services,

and/or associated costs as applicable. The PE consists of 7 digits ending with a letter indicating appropriate service.

Program Element Monitor (PEM) Person within HQ USAF office of primary responsibility who is directly responsible for a given program and all documentation needed to harmonize the program in the budget.

Program Evaluation Review Technique (PERT) A technique for management of a program through to completion by constructing a network model of integrated activities and events and periodically evaluating the time/cost implications of progressed.

Program Executive Officer (PEO) A military or civilian official who has primary responsibility for directing several acquisition category I programs and for assigned acquisition category II, III, and IV programs. A Program Executive Officer has no other command or staff responsibilities within the Component, and only reports to and receives guidance and direction from the DoD Component Acquisition Executive.

Program Instability The condition imposed on a program due to problems and/or changes in requirements, technology, and funding.

Program Management The process whereby a single leader exercises centralized authority and responsibility for planning, organizing, staffing, controlling, and leading the combined efforts of participating/assigned civilian and military personnel and organizations, for the management of a specific defense acquisition program or programs, through development, production and deployment. (In some cases this also applies throughout operations, support and disposal of a system).

Program Management Directive (PMD) The official HQ USAF management directive used to provide to the implementing and participating commands and satisfy documentation requirements. It will be used during the entire acquisition cycle to state requirements and request studies as well as initiate, approved, change, transition, modify or terminate programs.

Program Management Document(s) The term used to describe a single document or collection of documents depicting how a need/requirement is to be satisfied through the acquisition process. The PMD contains all necessary information for a particular program.

Program Management Plan (PMP) The document developed and issued by an Air Force program manager which shows the integrated time-phased actions and resources required to complete the task.

Program Manager (PM) Official responsible for managing a specific acquisition program who reports to and receives direction from a Program Executive Officer (PEO), the commander of an acquisition command, or a Component Acquisition Executive (CAE). Also called Project Manager, Product Manager or Program Director. The PM is a leader and manager, who understands the requirements, environment, organizations, activities, constraints, and motivations impacting the program. The PM is knowledgeable of and understands how to operate within the constraints imposed by the requirements generation system, the acquisition management system and the PPBS. The PM coordinates the work of defense industry contractors, consultants, in-house engineers, logisticians, contracting officers, and others, whether assigned directly to the program office or supporting it from a functional matrix.

Program Manager Charter See Charter (Program Manager's)

Program Objectives Memorandum (POM) A biennial memorandum in prescribed format submitted to SECDEF by the DoD components head which recommends the total resource requirements and programs within the parameters of SECDEF's fiscal guidance. A major document in the PPBS; ultimately becomes the service's budget. The POM is the principal programming document which details how a Service/Agency proposes to respond to assignments in the DPG and satisfy its assigned functions of the FYDP. The POM shows its programmed needs for 2 years hence (i.e., in FY 1994, POM 1996-2001 is submitted), including manpower, force levels, procurement, facilities, personnel issues and research and development.

Programmatic Pertains to the cost, schedule and performance characteristics of an acquisition program.

Programming The projection of activities to be accomplished and the resources that will be required for all specified periods in the future, normally six years.. Follows the planning process. The process of preparing a program, especially in terms of quantitative, physical requirement, physical requirements of manpower, materiel, facilities; that is, the process of establishing and maintaining a program.

Program Stability A stable program is experiencing few, if any, perturbations in cost, schedule, performance, support and other associated business or technical problems.

Progress Payments Payments made to a prime contractor during the life of a fixed-price type contract on the basis of a percentage of his incurred total cost or total direct labor and material cost.

Project (1) Synonymous with program in general usage. (2) Specifically, a planned undertaking having a finite beginning and ending, involving definition, development, production, and logistics support of a major weapon or weapon support system or systems. A project may be the whole or a part of a program.

Project Definition The process of exploring more thoroughly all aspects of the proposed projects and to examine the relations between required performance, development time and cost. The areas of technical uncertainty are examined and possible trade-offs, are evolved in order to achieve a satisfactory balance between performance, development time and cost.

Project Manager See Program Manager.

Project Order A specific, definite, and certain order between Navy activities, for work or for the manufacture of supplies, material, or equipment which for the purpose of obligation, assumes the characteristics of offers or contracts placed with commercial enterprises.

Project Summary Work Breakdown Structure A summary WBS tailored to a specific defense material item by selecting applicable elements from one or more summary WBS's or by adding equivalent elements unique to the project.

Proprietary Right A broad contractor term used to describe data belonging to the contractor. This data could be intellectual property, financial data, etc. This is not a category accepted by the Government when referencing technical data.

Protest A concern over the award of a contract, submitted to GAO or PCO.

Prototype An original or model on which a later system/item is formed or based. Early prototypes may be built during DEM/VAL phase and tested prior to MS II decision. Also, engineering development models. Selected prototyping may continue in phase II, Engineering and Manufacturing Development, as required to identify and resolve specific design and manufacturing risks early in the phase or in support of preplanned product improvement or evolutionary acquisition.

Provisioning The process of determining and acquiring the range and quantity (depth) of spares and repair parts, and support and test equipment required to operate and maintain an end item of material for an initial period of service. Usually refers to first outfitting of a ship, unit or system.

Purchase Order A contractual procurement document used primarily to procure supplies and nonpersonal services when the aggregate amount involved in any one transaction is relatively small (for example, not exceeding \$25,000).

Q

Qualification Test Simulates defined operational environmental conditions with a predetermined safety factor, the results indicating whether a given design can perform its function within the simulated operational environment of a system.

Qualified Products List A list of products which are pretested in advance of actual procurement to determine which suppliers can comply properly with specification requirements. This is most usually done because of the length of time required for T&E.

Qualitative and Quantitative Personnel Requirements Information (QQPRI) A compilation of specified organizational, doctrinal, training, and personnel information developed by the material developer and combat developer for new or modified material items. (Army)

Quality The composite of material attributes including performance features and characteristics of a production or service to satisfy a customer's given need.

Quality Assurance A planned and systematic pattern of all actions necessary to provide confidence that adequate technical requirements are established, that products and services conform to established technical requirements, and that satisfactory performance is achieved.

Quality Audit A systematic examination of the acts and decisions with respects to quality in order to independently verify or evaluate the operational requirements of the quality program or the specification or contract requirements for a product or service.

Quality Control The system or procedure used to check product quality throughout the acquisition process.

Quality of Conformance The effectiveness of the design and manufacturing functions in executing the product manufacturing requirements and process specifications while meeting tolerances, process control limits, and target yields for a given product group.

Quality of Design The effectiveness of the design process in capturing the operational requirements and translating them into detailed design requirements that can be manufactured (or coded) in a consistent manner.

Quality Program A program which is developed, planned, and managed to carry out, cost-effectively, all efforts to effect the quality of material and services from concept through validation, full-scale development, production, deployment, and disposal.

Quantity That property of outputs which can be determined by measurement.

R

Ramp Up Usually refers to low-rate initial production with small number of quantities gradually increasing as production line is proven and additional procurement dollars obtained.

Rate Cost A mathematical way of explaining and measuring the impact of curves changing production rates on a program's total cost.

Rating Factor That percentage of skill and effort and method displayed by an operator during the period of the study with 100 percent representing normal skill and effort.

Raw Materials Includes raw and processed material in a form or state that required further processing.

RDT&E Activities Consists of all efforts funded from the RDT&E appropriation.

RDT&E Program Categories Consists of the 7 divisions of the RDT&E appropriation: Basic Research (6.1); Exploratory Development (6.2); Advanced Development (6.3); Demonstration and Validation (6.4); Engineering and Manufacturing Development (6.5); Management and Support (6.6); and Operational Systems Development (6.7).

Readiness State of preparedness of (1) forces or (2) weapon system or systems to meet a mission or to warfight. Based on adequate and trained personnel, material condition, supplies/reserves of support system and ammunition, numbers of units available, etc.

Readiness Drivers Those system characteristics which have the largest effect on operational characteristics.

Ready for Training The first attainment of the sustained capability to train military units adequately to operate and maintain a weapon system effectively for operational capability.

Realistic Test Environment The conditions under which the system is expected to be operated and maintained, including the natural weather and climatic conditions, terrain effects, battlefield disturbances, and enemy threat conditions.

Real Time (1) Software--essence of real time is the synchronism of processes with the outside world; (2) immediate response to an outside stimulus.

Realization Factor The ratio of actual performance time to standard performance time, usually expressed as a decimal number.

Reapportionment A revision by the Office of Management and Budget of a previous apportionment of budgetary resources for an appropriation or fund account. A revision would ordinarily cover the same period, projects, or activity covered in the original apportionment.

Reasonable Price A business decision reached jointly by buyer and seller, a product of judgment influenced by bargaining strength and economic realities dictated by the marketplace.

Reclama A formal appeal to the service comptroller or SECDEF's tentative budget decision on the service budget estimates.

Reconciliation Directives to standing committees contained in congressional budget resolutions calling for certain dollar savings and a deadline for reporting legislation to achieve the savings. Omnibus reconciliation bill incorporating these changes is introduced and acted on in both Houses.

Reconstitution Involves forming, training, and fielding new fighting units. This includes initially drawing on cadre-type units and laid-up military assets; mobilizing previously trained or new manpower; and activating the industrial base on a large scale. Reconstitution also involves maintaining technology, doctrine, training, experienced military personnel, and innovation necessary to retain the competitive edge in decisive areas of potential military competition.

Recurring Effort An effort repeated during a contract's duration.

Redundancy Repetition of parts or subsystems to assure operation if original (primary) part or subsystem fails.

Reimbursable An expenditure made for another agency, fund, or appropriation, Expenditure or for a private individual, firm or corporation, which subsequently will be recovered.

Reimbursements Amounts received by an activity for the cost of material, work, or services furnished to others, for credit to an appropriation or other fund account.

Reliability The ability of a system and its parts to perform its mission without failure, degradation, or demand on the support system.

Reliability, Availability, and Maintainability (RAM) Requirement imposed on acquisition systems to insure they are operationally ready for use when needed, will successfully perform assigned functions, and can be economically operated and maintained within the scope of logistics concepts and policies. RAM programs are applicable to materiel systems; test measurement and diagnostic equipment, training devices; and facilities developed, produced,

maintained, procured or modified for use. See individual definitions for Reliability, Availability, and Maintainability.

Repair The restoration or replacement of parts or components of real property or equipment as necessitated by wear and tear, damage, failure of parts or the like, in order to maintain it in efficient operating condition.

Repair Parts Consumable bits and pieces; that is, individual parts or nonreparable assemblies, required for the repair of spare parts or major end items.

Repairability The probability that a failed system will be restored to operable condition within a specified active repair time.

Repairable Item An item of a durable nature which has been determined by the application of engineering, economic, and other factors to be the type of item feasible for restoration to a serviceable condition through regular repair procedures.

Replanning See Internal Replanning.

Replenishment The purchase of item following the initial purchase, whether bought for initial support of additional end items, stock replenishment, or other purposes.

Replenishment Spare Parts Items and equipment, both repairable and consumable, purchased by inventory control points, required to replenish stocks for use in the maintenance, overhaul, and repair of equipment, such as ships, tanks, guns, aircraft, engines, etc.

Reprogramming The transfer of funds between program element or line items within an appropriation for purposes other than those contemplated at the time of appropriation. Reprogramming is generally accomplished pursuant to consultation with and approval by appropriate congressional committees, if above statutory levels prescribed for different appropriations, i.e. procurement, MILCON, O&M, MILPAY and RDT&E.

Request for Proposal (RFP) A solicitation used in negotiated acquisition to communicate government requirements to prospective contractor and to solicit proposals.

Request for Quotation (RFQ) A solicitation used in negotiated acquisition to communicate government requirements to prospective contractors and to solicit a quotation. A response to an RFQ is not an offer. It is informational in character.

Request for Technical Proposal Solicitation document used in two-step sealed bid. Normally in letter form, it asks only for technical information--price and cost breakdowns are forbidden.

Required Operational Characteristics System parameters that are primary indicators of the system's capability to be employed to perform the required mission functions, and to be supported.

Required Technical Characteristics System parameters selected as primary indicators of achievement of engineering goals. These need not be direct measures of, but should always relate to the system's capability to perform the required mission functions, and to be supported.

Requirement (1) The need or demand for personnel, equipment, facilities, other resources, or services, by specified quantities for specific periods of time or at a specified time. (2) For use in budgeting, item requirements should be screened as to individual priority and approved in the light of total available budget resources.

Requirements Creep See Bells and Whistles.

Requirements Scrub A review of user/government comments received in response to the announcement of an operational requirement. The scrub is used to validate and prioritize suggested or requested system functions and capabilities before release to industry.

Research (1) Systematic inquiry into a subject in order to discover or revise facts, theories, etc. to investigate. (2) means of developing new technology for potential use in defense systems.

Research and Development Costs Those program costs primarily are associated with R&D efforts including the development of a new or improved capability to the point where it is ready for operational use. They include equipment costs funded under RDT&E appropriations and related military construction appropriation costs. They exclude costs which appear in the military personnel, operation and maintenance, and procurement appropriations.

Research (Basic) Scientific study and experimentation directed towards increasing knowledge and understanding in fields directly related to explicitly stated long-term national security needs.

Research, Development, Test and Evaluation (RDTE) Activities for the development of a new system that include basic and exploratory research, advanced and engineering development developmental and operational testing and the evaluation of test results. Includes RDT&E activities to expand the performance of field systems. Also, an appropriation category that includes funds allocated to the FYDP major force program 6.

Rescission An action by the President canceling budget authority previously appropriated but not yet obligated or spent. If both Houses of Congress do not approve the proposed rescission within 45 days, the President must obligate the BA as intended by Congress.

Rescission Bill A bill or joint resolution that provides for cancellation, in which or in part, of budgetary resources previously granted by the Congress. Under Section 1012 of the Impoundment Control Act of 1974, unless Congress approves a rescission bill within 45 days of continuous session after receipt of the proposal, the budgetary resources must be made available for obligation.

Residual Value The scrap value of equipment at the end of the economic life system.

Resource Any person, tool, equipment, or material used to complete an activity or task.

Resource Allocation Process (RAP) Includes the PPBS, congressional budget enactment process, the apportionment of appropriated funds, and budget execution.

Resource Leveling A process whereby resources are sorted out among tasks and activities to identify and avoid conflicts between scheduling and availability.

Resource Manager The head of a staff element responsible for the management of a specified appropriation or its subdivision, revolving fund, or for the management of the overall manpower authorization. May bear the title "comptroller," "appropriation," "budget program," or "budget activity," manager.

Retrofit (Retroactive Fit) A modification of a configuration item to incorporate changes made in later production items.

Revolving Fund A fund established to finance a cycle of operations through amounts received by the fund. Within the Department of Defense, such funds include stock funds and industrial funds, as well as other working capital funds.

Rework Any corrections of defective work--either before, during or after inspection.

Rights in Technical Data The right for the Government to acquire technical data. If the Government has funded or will fund a part of or the entire development of the item, component or process, then the Government is entitled to unlimited rights in the TD. However, if the above is developed by a contractor or subcontractor exclusively at private expense, the Government is entitled to limited rights. Such data must be unpublished and identified as limited rights data. See limited rights, Government purpose license rights, and unlimited rights.

Risk A measurable probability of consequence associated with a set of conditions or actions. Generally, in DoD risk has a negative connotation--that action must be taken to avoid failure.

Risk Analysis An examination of risk areas or events to determine options and the probable consequences for each event in the analysis.

Risk Assessment The process of subjectively determining the probability that a specific interplay of performance, schedule, and cost as an objective, will or will not be attained along the planned course of action.

Risk Management All actions taken to identify, assess, and eliminate or reduce risk to an acceptable level in selected areas (e.g., cost, schedule, technical, producibility, etc.); and the total program.

R&M Accounting That set of mathematical tasks which establish and allocate quantitative R&M requirements, and predict and measure quantitative R&M achievements.

R&M Engineering That set of design, development, and manufacturing tasks by which R&M are achieved.

Robust Design The design of a system such that its performance is insensitive to variations during its manufacturing, or in its operational environment (including maintenance, transportation, and storage), and the system continues to perform acceptably throughout its life-cycle despite component drift or aging.

Rollaway Costs See Flyaway Costs.

S

Sailaway Costs See Flyaway Costs.

Schedule Series of things to be done in sequence of events within given period; a timetable.

Scheduling The prescribing of when and where each operation necessary to the manufacture of a product is to be performed.

Science & Technology (S&T) Program Consists of projects in basic research, exploratory development, and advanced technology development.

Scrub (Budget) A review of the budget with eye toward reducing or reprogramming of funding to meet current priorities. Periodic, but done at least annually (mid-FY).

Sealed Bidding Replaces formal advertising in contracting process in title only. Process remains same.

Second Source Execution of established acquisition strategy to qualify two producers for the part or system. Sometimes called dual sourcing.

Security Assistance Material and services provided by the U.S. to eligible allies as specified by Congress. This broad term includes the Military Assistance Program authorized by the Foreign Assistance Act of 1961, as amended and the Foreign Military Sales Program authorized by the Foreign Assistance Act of 1961.

Segment A grouping of elements that are closely related and often physically interface. It consists of CIs produced by several contractors and integrated by one.

Selected Acquisition Reports (SAR) Standard, comprehensive, summary status reports on major defense acquisition programs (ACAT I) required for periodic submission to Congress. They include key cost, schedule and technical information.

Senior Procurement Executive (SPE) The senior official responsible for management direction of the service procurement system, including implementation of unique procurement policies, regulations, and standards (see Title 41, United States Code, Section 414, "executive Agency Responsibilities"). The SPE for the military department is the Service Acquisition Executive. The SPE for all non-Service DoD Components is the Under Secretary of Defense for Acquisition & Technology (see Title 10, United States Code, Section 133, "Under Secretary of Defense for Acquisition & Technology").

Serviceability A measure of the degree to which servicing of an item will be accomplished within a given time under specified conditions.

Service Acquisition Executive (SAE) See definition for DoD Component Acquisition Executive.

Service Contract One which calls directly for a contractor's time and effort rather than for a concrete end product.

Service Life Quantities the average or mean life of the item. There is no general formula for the computation. Often refers to the mean life between overhauls, or to the mandatory replacement time, or the total usefulness of the item in respect to the weapon it supports; that is, from first inception of the weapon until final phaseout.

Service Life Extension Program (SLEP) Modification(s) to fielded systems undertaken to extend the life of the system beyond what was previously planned.

Service Supplement Information, instructions, or lists of items of supply applicable only to one military Service.

(Service) System Acquisition Review Council A council established by the head of a military department as an advisory body on defense system acquisitions. The (S)SARC is normally chaired by the Acquisition Executive and is similar in functional composition, responsibilities and operation to the DAB. In application, the term (Service) is replaced by the designation of the applicable Military Department, i.e., ASARC (Army) AFSARC (AF). Also, see Program Decision Meeting.

Setup Making ready or preparing for the performance of a job operation. It included the tear down to return the machine or work area to its original or normal condition.

Setup Time The time required to arrange locating fixtures and equipment in order to begin productive work, including adjustments and takedown of the original setup.

Shelf Life The expected length of time in inventory (use) for a system, component or subassembly.

Should-Cost Estimate An estimate of contract price which reflects reasonably achievable contractor economy and efficiency. It is accomplished by a government team of procurement, contract administration, audit and engineering representatives performing an in-depth cost analysis at the contractor's and subcontractor's plants. Its purpose is to develop a realistic price objective for negotiation purposes.

Show Stopper An event or condition serious enough to halt or severely perturbate a program unless confronted and eliminated.

Sign Up To Agree to, authorize or permit to proceed on a proposal, document or program. See Chop.

Simulation A simulation is a method for implementing a model. It is the process of conducting experiments with a model for the purpose of understanding the behavior of the system modeled under selected conditions or of evaluating various strategies for the operation of the system within the limits imposed by developmental or operational criteria. Simulation may include the use of analog or digital devices, laboratory models, or "testbed" sites. Simulations are usually programmed for solution on a computer; however, in the broadest sense, military exercises and wargames are also simulations.

Simulator A generic term used to describe a family of equipment used to represent threat weapon systems in development testing, operational testing, and training. A threat simulator has one or more characteristics which, when detected by human senses or man-made sensors, provide the appearance of an actual threat weapon system with a prescribed degree of fidelity.

Skunkworks A separate program management operation established to operate outside the normal process, either to expedite development or because of high security classification.

Small and Disadvantaged Business Utilization Program (SADBU) A program which embraces prime contracts, set-aside contracts, subcontracting, small disadvantaged business, women-owned small business, procurement technical assistance program, American Indian Program, National Industries for the Blind, National Industries for the Severely Handicapped, Puerto Rico Initiative, Outreach programs and the Small Business Innovation Research Program.

Small Purchase Represents 8% of DoD \$ spent, but accounts for 98% of all contract actions. The threshold is \$25,000. Raised to \$100,000 by Federal Acquisition Streamlining Act of 1994.

"Smart" Munitions Munitions which "think for themselves" and have self-contained ability to search, detect, acquire and engage targets. They will be delivered to target areas by guns, rockets or missiles, primarily aircraft with the carriers, (platforms) delivering from one to a multitude, and can perform new battlefield missions.

Software Computer program instructions and data.

Software Development Plan A management plan usually generated by the developer outlining the software development effort.

Software Failure The inability, due to a fault in the software, to perform an intended logical operation in the presence of the specified/data environment.

Software Maintainability The probability that the software can be retained in or restored to a specified status in a prescribed period compatible with mission requirements.

Software Reliability The probability that the required software will perform the intended logical operations for the prescribed mission(s) and periods(s) in the specified data/environment, without failure.

Software Support The sum of all activities that take place to ensure that implemented and fielded software continues to fully support the operational mission of the system. Software support includes pre-deployment software support and post-deployment software support.

Soldier-Machine Interface Considerations through system analysis and psychophysiology of equipment designs and operational concepts, ensure they are compatible with capabilities and limitations of operators and maintainers. See Man-machine Interface.

Sole Source Acquisition A contract for the purchase of supplies or services that is entered into or proposed to be entered into by an agency after soliciting and negotiating with only one source.

Solicitation In contracting, the term means to go out to prospective bidders and request their response to a proposal.

Source Selection The process wherein the requirements, facts, recommendations and government policy relevant to an award decision in a competitive procurement of a system/project are examined and the decision made.

Source Selection Advisory Council (SSAC) Senior military or government civilian personnel designated by the SSA to serve as his/her staff and advisors during the source selection process. The SSA usually delegates the following duties to the SSAC: selecting/approving the SSEB membership, reviewing the evaluation criteria, and weighing these criteria.

Source Selection Authority (SSA) The official designated to direct the source selection process, approved the selection plan, select the source(s), and announce contract award.

Source Selection Evaluation Board (SSEB) A group of military and/or government civilian personnel, represents functional and technical disciplines. It is charged with evaluating proposals and developing summary facts and findings during source selection.

Source Selection Plan (SSP) Proper planning in source selection is essential to assure fairness and timely selection of the most realistic proposal. Preliminary planning activities include preparation of the acquisition plan, draft RFP, and formal RFP, as well as the SSP. The SSP is written by the Program office and approved by the SSA. Typically, the SSP consists of two parts. The first part describes the organization and responsibilities of the source selection team. The second part identifies the evaluation criteria and detailed procedures for proposal evaluation.

Spare Parts Repairable components or assemblies used for maintenance replacement purposes in major end items of equipment.

Spares A term used to denote both spare and repair parts.

Spares Acquisition Integrated with Production (SAIP) A procedure used to combine procurement of selected spares with procurement of identical items produced for installation on the primary system, subsystem, or equipment.

Spares Management Improvement Program Reforms, breakout and other initiatives designed to result in savings or cost avoidance in spare parts management.

Special Access Program (SAP) Programs established to provide extra security protection for certain highly sensitive technologies. Includes areas such as antisubmarine warfare, low observables, electronic combat, among others, or the application of these technologies to specific weapon systems.

Special Study Group (SSG) A group convened under the chairmanship of TRADOC to conduct analyses, insure inclusion of all alternatives within the analyses, monitor experimentation, or undertake other such tasks that may require concentration of special

expertise for a short duration, normally prior to Milestone 0 or Milestone I, for ACAT II initiatives. (Army)

Special Task Force (STF) Same as the SSG (above), except the STF is convened by the Chief of Staff, Army for ACAT I initiatives under the direction of DCSOPS and chaired by a CSA appointee.

Special Test Equipment Single or multipurpose integrated test units engineered, designed, fabricated, or modified to accomplish special purpose testing.

Special Time Allowance A temporary time value applying to an operation in addition to or in place of a standard allowance in order to compensate for a specified, temporary, nonstandard production condition.

Special Tooling All jigs, dies, fixtures, molds, patterns, taps, gauges, other equipment and manufacturing aids, and replacements thereof, which are of specialized nature that, without substantial modification or alteration, their use is limited to the development or production of particular services.

Specialization An agreement within an alliance wherein a member or group of members most suited by virtue of technical skills, location, or other qualifications assume(s) greater responsibility for a specific task or significant portion thereof for one or more members.

Specification A document used in development and procurement which describes the technical requirements for items, materials, and services including the procedures by which it will be determined that the requirements have been met. Specifications may be unique to a specific program (program-peculiar) or they may be common to several applications (general in nature).

Spending Committees Standing committees of the House and Senate with jurisdiction over legislation that permits the obligation of funds. For most programs, the Appropriations Committees are spending committees. For some programs, authorization legislation permits the obligation of funds without an appropriation, and so the authorization committees have the spending power. Revenue-raising committees (House Ways and Means, and Senate Finance) at times also can be considered to be spending committees because of tax expenditures.

Sponsor The office within Pentagon HQ with cognizance over mission/warfare area, appropriations or program.

Staff Assistance Visit A periodic visit by Government personnel to a contractor's facility to determine, in coordination with the CAO/DPRO, whether a previously accepted management control system has been properly applied and is being used in the performance of a new contract that has the C/SCSC requirement.

Staffing A statement of authorized personnel strength in a program office.

Stand Alone A system which performs its functions requiring little or no assistance from interfacing systems.

Standard In work measurement, any established or accepted rule, model, or criterion against which comparisons are made.

Standard Cost The normal expected cost of an operation, process, or product including labor, material, and overhead charges, computed on the basis of past performance costs, estimates, or work measurement.

Standard Deviation The square root of the variance is the standard deviation; a measure of spread of data points about the mean.

Standard Error of Estimate A measure of divergence in the actual values of the dependent variable from their regression estimates. Also known as standard deviation from regression line. The deviations of observations from the regression line are squared, summed, and divided by the number of observations.

Standard Industrial Classification Code An industrial classification method used to report price index changes. A code number is assigned to specific industry groups.

Standard Military Drawing Program The objective is to reduce the proliferation of contractor unique specifications and source control drawings. The idea is to use a single part number for each part used by working at a pace which is ordinarily used under capable supervision and experiencing normal fatigue and delays, to do a defined amount of work of specified quality when following the prescribed method.

Standard Time Data A compilation of all the elements that are used for performing a given class of work with standard elemental time values for each element. The data is used as a basis for determining time standards on work similar to that from which the data was determined without making actual time studies.

Standardization The process by which DoD achieves the closest practicable cooperation among forces; the most efficient use of research, development, and production resources; and agree to adopt on the broadest possible basis the use of (a) common or compatible operational, administrative, and logistics procedures and criteria; (b) common or compatible technical procedures and criteria; (c) common or compatible, or interchangeable supplies, components, weapons, or equipment; and (d) common or compatible tactical doctrine with corresponding organizational compatibility.

Standardization Agreement The record of an agreement among several or all the NATO member nations to adopt like or similar military equipment, ammunition, supplies and store; and operational, logistic and administrative procedures. National acceptance of a NATO allied publication issued by the Military Agency for Standardization may be recorded as a Standardization Agreement (STANAG).

Standardization (NATO) The process by which NATO nations achieve the closest practicable cooperation among their forces; facilitate the most efficient use of research, development, and production resources; and agree to adopt on the broadest possible basis the use of (a) common or compatible operational, administrative, and logistic procedures, (b) common, compatible or interchangeable supplies, components, weapons or equipment, (c) common or compatible technical procedures and criteria, and (d) common or compatible tactical doctrine with corresponding organizational compatibility.

Statement of Work (SOW) That portion of a contract which establishes and defines all nonspecification requirements for contractors efforts either directly or with the use of specific cited documents.

State of the Art The level to which technology and science at any designated cutoff time have been developed in a given industry or group of industries, as in "the missile's capabilities were determined by the state of the art at the time it went into production."

Statistical Process Control (SPC) The use of statistical techniques such as control charts to analyze a process or its outputs so as to take appropriate actions to achieve and maintain a state of statistical control and to improve the process capability.

Strawman A working draft copy circulated for comments or suggested changes.

Streamlining (1) An acquisition strategy communicating what is required in functional terms at the onset of Dem/Val phase. Allowing flexibility for application of contractor's expertise, judgment and creativity in recommending tailoring of MILSPECs/MILSTDs and other detailed requirements. Ensures only cost-effective requirements are included in solicitation and contracts; (2) broadly used to denote efforts to shorten acquisition process.

Stretch Out (a program) Procurement (1) Buying the originally intended number of end items (or close to it) over a longer period of time (e.g., 10 per year rather than 20). (2) For acquisition phase: taking longer to complete than originally planned, for technical or funding reasons.

Structure Involves the ways in which the tasks of the organization are divided (differentiated) and coordinated (integrated).

Subassembly Two or more parts joined together to form a unit, capable of disassembly, which is only a part of a complete machine, structure, or other article.

Subcontract A contract between a buyer and a seller in which a significant part of supplies or services being obtained is for eventual use in a government contract. The term frequently implies a substantial dollar value and/or nonstandard specifications.

Subcontractor A contractor who enters into a contract with a prime contractor.

Subprogram A major functional subset of a program, such as the attitude control system software.

Subsequent Application Review A formal review performed in lieu of a C/SCSC demonstration review when compliance with the DoD C/SCSC is a contract requirement.

Subsystem A functional grouping of components that combine to perform a major function within an element such as electrical power, attitude control, and propulsion.

Successful Acquisition Program A successful weapon system acquisition program places a capable and supportable weapon in the hands of a user when and where it is needed, and does so within affordable resources.

Sunk Costs Costs already incurred. Because they are in the past, they are not germane to decisions about the future use of resources.

Supplemental Agreement Bilateral written amendment to a contract by which the government and the contractor settle price and/or performance adjustments to the basic contract.

Supplemental Appropriation An appropriation enacted as an addition to a regular annual appropriation act. Supplemental appropriations provide additional budget authority beyond original estimates for programs or activities which are too urgent to be postponed until the next regular appropriation.

Supplementation The publication of directives, instructions, regulations, and related documents that add to, restrict, or otherwise modify the policies or procedures of a higher authority.

Supplies All property except land or interest in land. Includes, but is not limited to, public works, facilities, ships, aircraft, machine tools and their parts and accessories.

Supply The procurement, distribution, maintenance while in storage, and salvage of supplies, including the determination of kind and quantity of supplies. Producer Phase - extends from determination of procurement schedules to acceptance of finished supplies by the military Services. Consumer Phase - extends from receipt of finished supplies by the military Services through issue for use or consumption.

Supply Support All management actions, procedures, and techniques used to determine requirements to acquire, catalog, receive, store, transfer, issue, and dispose of secondary items. This includes provisioning for initial support as well as replenishment supply support, one of the principal elements of ILS.

Supply System The organizations, offices, facilities, methods and techniques utilized to provide supplies and equipment to authorized users including requirements computation, procurement, distribution, maintenance-in-storage, issue and salvage of materiel.

Supportability The degree to which system design characteristics and planned logistics resources, including manpower, meet system peacetime readiness and wartime utilization requirements.

Support Equipment Includes all equipment required to perform the support function, except that which is an integral part of the mission equipment. Support equipment includes tools, test equipment, automatic test equipment (when ATE is accomplishing a support function), organizational, field and depot support equipment, and related computer programs and software. One of the principal elements of ILS.

Supporting Service A Service designated by SECDEF, or as the result of Service Initiatives, to assist the designated lead Service in the management of Multi-service Operational Test and Evaluation or Joint Test and Evaluation program.

Surge Production An increased rate of production necessary to meet demands for defense items due to a wartime or mobilization situation. This increased rate can be obtained by having excess production capacity available or by utilizing multiple shifts of normal capacity machines.

Surveillance Monitor The individual in the CAO who is responsible for coordinating C/SCSC surveillance functions with other members of the CAO organization and with the auditor, to assure that the surveillance objectives are accomplished.

Surveillance Plan A document, consistent with a memorandum of agreement, and which establishes the procedures of accomplishing C/SCSC contractor surveillance.

Surveillance (Plant) Monitoring of contractor efforts to perform under a contract. Done by Government personnel. Includes on-site inspections, checks and reports.

Survivability The capability of a system to avoid or withstand a man-made hostile environment without suffering an abortive impairment of its ability to accomplish its designated mission.

Susceptibility The degree to which a device, equipment, or weapon system is open to effective attack due to one or more inherent weakness. Susceptibility is a function of operational tactics, countermeasures, probability of enemy fielding a threat, etc. Susceptibility is considered a subset of survivability.

Sustainability The "staying power" of U.S. forces, units, weapons systems and equipment usually measured in number of days capability to sustain combat.

System (1) The organization of hardware, software, material, facilities, personnel, data, and services needed to perform a designated function with specified results, such as the gathering of specified data, its processing, and delivery to users. (2) A combination of two or more interrelated equipment's (sets) arranged in a functional package to perform an operational function or to satisfy a requirement.

System Acquisition Management (see Acquisition Management and Program Management)

System Acquisition Process The sequence of acquisition activities starting from the agency's reconciliation of its mission needs, with its capabilities, priorities and resources, and extending through the introduction of a system into operational use of the otherwise successful achievement of program objectives.

System Analysis A management planning technique which applies scientific methods of many disciplines to major problems or decisions. The list of disciplines includes, but is not limited to, traditional military planning, economics, political science and social sciences, applied mathematics, and the physical sciences.

System Dependability The probability that the hardware and software will perform successfully during one or more required sequences of a mission, given the hardware and software status at the start of the mission (availability).

System Deployment Delivery of the completed production system to the using activity.

System Design Concept An idea expressed in terms of general performance, capabilities, and characteristics of hardware and software oriented either to operate or to be operated as an integral whole in meeting a mission need.

System Design Review (SDR) Conducted to evaluate the optimization, correlation, completeness and risks of a system associated with its allocated technical requirements. This review is conducted when the system definition effort has proceeded to the point where system characteristics are defined and the configuration items are identified.

System Engineering Management Plan (SEMP) Includes plans for verification, risk alleviation, analyses and simulation of the system requirements.

System Operational Concept A formal document that describes the intended purpose, employment, deployment, and support of a system.

System Program Office (SPO) The office of the program manager and the single point of contact with industry, Government agencies and other activities participating in the system acquisition process. (AF)

System Readiness Objective A criterion for assessing the ability of a system to undertake and sustain a specified set of missions at planned peacetime and wartime utilization rates. System readiness measures take explicit account of the effects of reliability and maintainability system design, the characteristics and performance of the support system, and the quantity and location of support resources. Examples of system readiness measures are combat sortie rate overtime, peacetime mission capable rate, operational availability, and asset ready rate.

System Reliability and Maintainability Parameter A measure of reliability or maintainability in which the units of measurement are directly related to operational readiness, mission success, maintenance manpower cost, or logistic support cost.

System Requirement Review (SRR) Conducted to ascertain progress in defining system technical requirements. Determines the direction and progress of the systems engineering effort and the degree of convergence upon a balanced and complete configuration. Normally held during the CE/D phase, may be repeated after start of D/V to clarify the contractor's understanding of redefined/new user requirements.

System Safety The application of engineering and management principles, criteria, and techniques to optimize safety within the constraints of operational effectiveness, time, and cost throughout all phases of the system life-cycle.

System Threat Assessment Describes the threat to be countered and the projected threat environment. The threat information should reference DIA or Service Technical Intelligence Center approved documents.

System Threat Assessment Report (STAR) Documents the authoritative threat assessment tailored for and focused on a particular U.S. defense acquisition program. Prepared by the Service intelligence agency. STAR for ACAT I programs validated by DIA at milestones I, II, III & IV. Applicable to all threat driven defense acquisition programs. Must be system specific threat oriented.

Systems Commands (1) Navy material/developing activities: Naval Air SYSCOM (NAVAIR), Naval Sea SYSCOM (NAVSEA), Naval Facilities Engineering SYSCOM (NAVFAC), Naval Supply SYSCOM (NAVSUP) and Naval Space & Warfare SYSCOM (SPAWAR). (2) Term sometimes is generic reference to all Service developing activities.

Systems Effectiveness The measure of the extent to which a system may be expected to achieve a set of specific mission requirements. It is a function of availability, reliability, dependability and capability.

Systems Engineering A comprehensive, iterative technical management process that includes translating operational requirements into configured systems, integrating the technical inputs of the entire design team, managing interfaces, characterizing and managing technical risk, transitioning technology from the technology base into program specific efforts, and verifying that designs meet operational needs. It is a life cycle activity that demands a concurrent approach to both product and process development.

Swag Rough funding "guesstimate" figure. Similar to Funding Wedge.

T

Tailoring Commensurate with risk and affordability considerations, such approaches as maintaining multiple alternatives in high risk areas; competitive prototyping of critical systems, subsystems, and components; combining developmental and operational test and evaluation; dual sourcing; and using multi-year procurement should be considered when developing acquisition strategy.

Tailoring (Joint Program) The process of evaluating potential requirements of the participating services to determine their pertinence and cost effectiveness for a specific system or equipment joint acquisition, and modifying these requirements to ensure that each contributes to an optimal balance between the needs of the participating services and cost.

Teaming An agreement of two or more firms to form a partnership or joint venture to act as a potential prime contractor; or an agreement by a potential prime contractor to act as a subcontractor under a specified acquisition program; or an agreement for a joint proposal resulting from a normal prime contractor- subcontractor, licensee-licenser, or leader company relationship.

Technical Data Scientific or technical information recorded in any form or medium (such as manuals and drawings). Computer programs and related software are not technical data; documentation of computer programs and related software are. Also excluded are financial data or other information related to contract administration.

Technical Data Package (TDP) A technical description of an item adequate for supporting an acquisition strategy, production, engineering, and logistics support. The description defines the required design configuration and procedures to ensure adequacy of item performance. It consists of all applicable technical data such as drawings, associated lists, specifications, standards, performance requirements, quality assurance provisions, and packaging details.

Technical Data Rights See Rights in Technical Data.

Technical Evaluation The study, investigations or T&E by a developing agency to determine the technical suitability of materiel, equipment, or a system, for use in the military services. Also see Development T&E.

Technical Information Information including scientific, which relates to research, development, engineering, test, evaluation, production, operation, use and maintenance of munitions and other military supplies and equipment.

Technical Management Technical management is a broad term including the management of a totally integrated effort of system engineering, test and evaluation (T&E), production and logistics support over the system life cycle. Its goal is timely deployment of an effective system, sustaining it, and satisfying the need at an affordable cost. Technical management includes, but is not limited to: System/product definition process (establishing baseline); Design engineering; Systems engineering (putting pieces together); Computer resources; Software management; Integrated logistics support; Development T&E; Operational T&E; Reliability, availability and maintainability; Product improvements; Transition from development to production; Total quality management; Standardization and specifications; Configuration management; Producibility; Manufacturing process and controls; System or product disposal; and Pre-planned product improvements. Technical management involves balancing a system's cost, schedule, effectiveness, and supportability.

Technical Manual (TM) A publication that contains instructions for the installation, operation, maintenance, training, and support of weapon systems, weapon system components, and support equipment. Technical Manual information may be presented in any form or characteristic, including but not limited to hard copy, audio and visual displays, magnetic tape, discs, and other electronic devices. A Technical Manual normally includes operational and maintenance instructions, parts lists or parts breakdown, and related technical information or procedures exclusive of administrative procedures. Technical Orders (TOs) that meet the criteria of this definition may also be classified as Technical Manuals.

Technical Performance Measurement (TPM) Describes all the activities undertaken by the government to obtain design status beyond that treating schedule and cost. TPM manager is defined as the product design assessment which estimates, through tests the values of essential performance parameters of the current design of WBS product elements. It forecasts the values to be achieved through the planned technical program effort, measures differences between achieved values and those allocated to the product element by the system engineering process, and determines the impact of these differences on system effectiveness.

Technology Base The development efforts in basic research and exploratory development.

Technology Modernization The coupling of modernization with the implementation of advanced manufacturing technology by providing incentives for contractor (and subcontractor) capitalization.

Test Any program or procedure which is designed to obtain, verify, or provide data for the evaluation of: research and development (other than laboratory experiments); progress in accomplishing development objectives; or performance and operational capability of systems, subsystems, components, and equipment items.

Test and Evaluation (T&E) Process by which a system or components are compared against requirements and specifications through testing. The results are evaluated to assess progress of design, performance, supportability, etc. There are three types of T&E--Developmental (DT&E), Operational (OT&E), and Production Acceptance (PAT&E)--occurring during the acquisition cycle. DT&E is conducted to assist the engineering design and development process and to verify attainment of technical performance specifications and objectives. OT&E is conducted to estimate a system's operational effectiveness and suitability, identify needed modifications, and provide information on tactics, doctrine, organization, and personnel requirements. PAT&E is conducted on production items to demonstrate that those items meet the requirements and specifications of the procuring contracts or agreements. OT&E is further subdivided into two phases--Initial operational (IOT&E) and Follow-on Operational (FOT&E). IOT&E must be conducted before the production decision (MS III) to provide a credible estimate of operational effectiveness and suitability. Therefore, IOT&E must be conducted on a system as close to a production configuration as possible, in an operationally realistic environment, by typical user personnel. FOT&E is conducted on the deployed system to determine if operational effectiveness and suitability is, in fact, being attained.

Test and Evaluation Master Plan (TEMP) An overall test and evaluation plan, designed to identify and integrate objectives, responsibilities, resources, and schedules for all test and evaluation to be accomplished prior to the subsequent key decision points. Prepared, as early as possible in the acquisition process, it is updated as development progresses.

Test Criteria Standards by which test results and outcome are judged.

Test Integration Working/Test Planning Work Group A integrated product team (IPT) that facilitates the integration of test requirements through close coordination between material developer, combat developer, logistician, and developmental and operational testers in order to minimize development time and cost and preclude duplication between developmental and operational testing. This team produces the test and evaluation master plan (TEMP) for the program manager.

Testbed A system representation consisting partially of actual hardware and/or software and partially of computer models or prototype hardware and/or software.

Tester The agency responsible for the development testing or operational testing of systems or components.

Testing An element of inspection. Generally denotes the determination by technical means of the properties or elements of supplies, or components thereof, including functional operation, and involves the application of established scientific principles and procedures.

Then-Year Dollars See current-year dollars or escalated dollars.

Threat Countries which are considered to have a potential adverse impact on the national security of the United States. (2) Weapon systems which must be defeated by U.S. systems in battle.

Thresholds (1) Monetary, time, or resource limitations placed on a program, to be used as guides as the program progresses and the breaching of which is cause for careful review of at least some aspects of the program. (2) The minimum performance level a system must meet at fielding (e.g., performance threshold accuracy of 30 meters circular error probable (CEP) for a warhead).

Tiering Specs and standards referenced in a contract which within themselves reference other documents which reference still more documents, etc.

Time Line A schedule line showing key dates and planned events.

Time Phased Action Plan The time phased action plan represents the schedule for the employment of the manufacturing facilities, processes, and personnel necessary to meet the end item delivery date.

Time Study The procedure by which the actual elapsed time for performing an operation or subdivisions or elements thereof is determined by the use of a suitable timing device and recorded.

Tolerance A measure of the accuracy of the dimensions of a part or the electrical characteristics of an assembly or function.

Tooling Costs Costs incurred by contractor in establishing certain functions of the manufacturing process to produce an end item.

Top Line Fiscal guidance promulgated for programming purposes -- the maximum dollar amount the DoD, Service or other activity can expect to get. Represents core plus marginal programs.

Total Allocated Budget The sum of all budgets allocated to the contract. Total allocated budget consists of the performance measurement baseline and all management reserve.

Total Obligational Authority (TOA) A DoD financial term which expresses the value of the direct program for a given fiscal year. It is based on the Congressionally approved budget authority for the program, plus or minus financing and receipts or other adjustments.

Total Quality Management (TQM) A management philosophy committed to a focus on continuous improvement of product and services with the involvement of the entire workforce.

Total Risk Assessing Cost Estimate (TRACE) A management system based on scientific methods, set procedures and effective controls used in the development of RDT&E program and budget requirements to arrive at cost estimates that more closely approach the eventual actual system costs.

Touch Labor Defined as production labor which can be reasonably and consistently related directly to a unit of work being manufactured, processed, or tested. Hands-on labor effort.

Trade-Off Selection among alternatives to obtain optimum balance for a system. Often the decision is made to opt for less of one parameter (i.e., fully funded) program.

TRADOC System Manager (TSM) An individual in TRADOC responsible for coordinating the combat developer, user and trainer efforts in the life cycle management of the assigned system and for doctrinal and organizational standardization or interoperability with NATO allies.

Training The level of learning required to adequately perform the responsibilities designated to the function and accomplish the mission assigned to the system.

Training and Training Support The processes, procedures, techniques, training devices, and equipment used to train civilian and active duty and reserve military personnel to operate and support a materiel system. This includes individual and crew training; new equipment training; initial, formal, and on-the-job training; and logistic support planning for training equipment and training device acquisitions and installations (DoDI 5000.2). One of the principal elements of ILS.

Transition to Production The period during which the program shifts (passes) from development to production. It is not an exact point, but is a process consisting of disciplined engineering and logistics management to ensure the system is ready for manufacture.

Transportability The capability of materiel to be moved by towing, self-propulsion, or carrier through any means, such as railways, highways, waterways, pipelines, oceans, and airways. (Full consideration of available and projected transportation assets, mobility plans and schedules, and the impact of system equipment and support items on the strategic mobility of operating military forces is required to achieve this capability.)

Turn Around Time Time required to return an item to use between missions or after removed from use.

Two-Step Sealed Bids Firms are allowed to submit technical (not price) proposals to satisfy a requirement. All satisfactory technical approaches are then allowed to submit sealed bids (price) to an invitation for bid (IFB), which uses each individual's approach as the contract specification. Award goes to the low responsive and responsible bidder. (formerly called Two-Step Formal Advertising).

Two-Way Street Philosophy encouraging U.S. to buy arms from, in addition to selling arms to NATO and other friendly nations.

Two-Year Budget Beginning with the President's budget submitted in January 1987, the DoD portion was for a two-year period (FY 88/89). The intent was for Congress to authorize and appropriate for DoD for a two-year period, providing program stability among other positive effects. This was requested by Congress on behalf of DoD. The even years (1986, etc.) are "on-years," the odd ones "off-years." To date, DoD has not received a two year appropriation.

Type-A System Specification States all necessary functional requirements of a system in terms of technical performance and mission requirements, including test provisions to assure that all requirements are achieved. Essential physical constraints are included. Type A specifications state the technical and mission requirements of the system as an entity.

Type-B Development Specification States all necessary design requirements of a configuration/development item in terms of performance. Essential physical constraints are included. Type B specifications state requirements for the development of items below the system level. They specify all of the required item functional characteristics and the tests required to demonstrate achievement of those characteristics.

Type-C Product Specification Product specifications are applicable to any item below the system level, and may be oriented toward procurement of a product through specification of primarily function (performance) requirements or primarily fabrication (detailed design) requirements. Type C specifications are intended to be used for procurement of items including computer programs.

Type Classification Identifies the life cycle status of a materiel system after a production decision by the assignment of a type classification designation, and records the status of a materiel system as a guide to procurement, authorization, logistical support, asset, and readiness reporting. Satisfies DoD requirement to designate when a system is approved for Service use. Army: Procurement Code "A." Navy: "Approved for full production." AF: classified "standard" or "alternate standard."

Type-D Process Specification This type of specification is applicable to a service which is performed on a product or material. Examples of processes are: heat treatment, welding, plating, packing, microfilming, marking, etc. Process specifications cover manufacturing techniques which require a specific procedure in order that a satisfactory result may be achieved.

Type-E Material Specification This type of specification is applicable to raw material (chemical compound), mixtures (cleaning agents, paints), or semi-fabricated material (electrical cable, copper tubing) used in the fabrication of a product. Normally, a material specification applies to production but may be prepared to control the development of a material.

U

Unavoidable Delay A production delay the operator cannot prevent.

Uncertainty A condition, event, outcome, or circumstance of which the extent, value, or consequence is not predictable. State of knowledge about outcomes in a decision which are such that it is not possible to assign probabilities in advance. Ignorance about the order of things. Some techniques for coping with this problem are fortiori analysis (making use of conclusions inferred from another reasoned conclusion or recognized fact), contingency analysis and sensitivity analysis.

Undefinitized Contract Action New procurement action entered into by agency head for which contractual terms, specifications or price are not agreed upon before performance is begun (letter contract or change order). Letter contract awaits negotiations to definitize prices.

Undelivered Orders An undelivered order is any document, meeting the criteria of an obligation, issued for material or services that has not as yet been received by the activity that ordered it. Includes material requisitions applicable to reimbursable orders issued for material requisitions applicable to reimbursable orders issued for material to be delivered from a stock funded inventory, and purchase orders issued which cite annual appropriations.

Under Secretary of Defense (Acquisition and Technology) (USD(A&T)) The USD(A&T) has policy and procedural authority for the defense acquisition system, is the principal acquisition official of the Department, and is the acquisition advisor to SECDEF. In this capacity the USD(A&T) serves as the Defense Acquisition Executive (DAE), the Defense Procurement Executive and the National Armaments Director, the last regarding matters of the North Atlantic Treaty Organization (NATO). For acquisition matters, the USD(A&T) takes precedence over the Secretaries of the Services after the SECDEF and Deputy SECDEF. The USD(A&T) authority ranges from directing the Services and Defense Agencies on acquisition matters, to establishing the Defense Supplement to the Federal Acquisition Regulation, and chairing the Defense Acquisition Board for major defense acquisition program reviews.

Under Secretary of Defense (A&T), Office of... (OUSD(A&T)) The OUSD(A&T), is organized around services, R&D, and materiel acquisition. Several organizational elements report directly to the USD(A&T): Principal Deputy USD(A&T); Director, Defense Research and Engineering; ASD (Economic Security); Asst to the SECDEF, Atomic Energy; Deputy USD (Space Acquisition & Technology Programs); Deputy USD (Advanced Technology); Deputy USD (Environmental Security); Deputy USD (Logistics); Deputy USD (Acquisition Reform); Director, Ballistic Missile Defense Organization; and Director, Defense Logistics Agency. Reporting into staff elements within OUSD(A&T) are a number of Defense Agencies, including: Defense Logistics Agency (DLA); Defense Mapping Agency (DMA); Defense Nuclear Agency (DNA); and the On Site Inspection Agency (OSIA).

Undistributed Budget Budget applicable to contract effort which has not yet been distributed to the cost accounts.

Unexpended Balance The amount of budget authority previously granted to an agency but still unspent and available for future spending. The unexpended balance is equal to the sum of the obligated and unobligated balances.

Unfilled Order An unfilled order is any document issued for goods or services, which meet the criteria of an obligation, yet has not been received.

Uniform Procurement System An interagency group of senior procurement officials, known as the Council on the Uniform Procurement System is chaired by the Administrator, Office of Federal Procurement Policy.

Unit Cost Curve A plot of the cost of each unit of a given quantity. The total cost for the given quantity is the sum of the cost of each individual unit.

United States Code (USC) A consolidation and codification of the general and permanent laws of the United States arranged according to subject matter under 50 title headings, in alphabetical order to a large degree. Sets out the current status of the laws, as amended. Title 10 governs the Armed Forces.

Unknown-Unknowns Future situation impossible to plan, predict, or even know what to look for.

Unlimited Rights Rights to use, duplicate, release or disclose technical data or computer software in whole or in part in any manner and for any purpose, and to have or permit others to do so.

Unobligated Balance The amount of budget authority previously granted to an agency, but not yet committed by that agency that continues to be available for commitment in the future.

Unscheduled Maintenance Corrective maintenance required by item conditions.

Unsolicited Proposal A written proposal that is submitted to an agency or the submitter's initiative for the purpose of obtaining a contract with the government, and which is not in response to a formal or informal request.

Up Front See Front End.

User (1) That command, unit or element which will be the recipient of the production item for use in accomplishing a designated mission. (2) User representatives are: Army, TRADOC; Navy, OPNAV; Air Force, AMC, ACC; Marine Corps, HQ USMC, and MCCDC. (3) The operator and maintainer of the system.

User Friendly Primarily a term used in ADP, it connotes a machine (hardware) or program (software) that are compatible with a person's ability to operate them successfully and easily.

Utility The state or quality of being useful militarily or operationally. Designed for or possessing a number of useful or practical purposes rather than a single, specialized one.

V

Validation (1) The process by which the contractor (or as otherwise directed by the DoD component procuring activity) tests a TM for technical accuracy and adequacy. (2) The procedure of comparing input and output against an edited file and evaluating the result of the comparison by means of a decision table established as a standard. (3) The process by which the preparing activity for a document determines that the document reflects

Value Engineering (VE) Value engineering (VE) is a functional analysis methodology that identifies and selects the best value alternative for designs, materials, processes, systems, and program documentation. Value engineering applies to hardware and software; development, production, and manufacturing; specifications, standards, contract requirements, and other

acquisition program documentation; facilities design and construction; and management or organizational systems and processes to improve the resulting product.

Value Engineering Change Proposal (VECP) Submitted by the contractor for review as to its VE applicability. If accepted by the Government, normally the contractor is compensated for saving the Government money.

Variable Cost A cost that changes with the production quantity or the performance of services. This contrasts with fixed costs that do not change with production quantity or services performed.

Variance (Statistical) A measure of the degree of spread among a set of values; a measure of the tendency of individual values to vary from the mean value. It is computed by subtracting the mean value from each value, squaring each of these differences, summing these results and dividing this sum by the number of values in order to obtain the arithmetic mean of these squares.

Vendor An individual, partnership, corporation, or other activity which sells property to the military establishment. A vendor may supply a government contractor.

Vulnerability The characteristics of a system that cause it to suffer a definite degradation (loss or reduction of capability to perform the designated mission) as a result of having been subjected to a certain (defined) level of effects in an unnatural (man-made) hostile environment. Vulnerability is considered a subset of survivability.

W

Waiver (1) Specifications. A written authorization to accept a configuration item or other designated items, which during production or after having been submitted for inspection, are found to depart from specified requirements, but nevertheless are considered suitable "as is" or after rework by an approved method. (2) Decision to not require certain criteria to be met for certain reasons, such as national security.

Warrant (1) An official document issued by the Secretary of the Treasury and countersigned by the Comptroller General of the United States by which monies are authorized to be withdrawn from the Treasury. Warrants are issued after appropriations and similar congressional authority have been enacted. (2) An official document designating an individual as a contracting officer. The warrant will state as reference the limits of the contracting officer's authority.

Warranty (Guarantee) A promise or affirmation regarding the nature, usefulness or condition of the supplies or performance of services furnished under contract. For DoD systems, centers on workmanship and defects in material and performance.

Weapon Support and Logistic R&D Technology programs funded outside the weapon system development programs that may result in improved subsystem R&M, improved support

for the operation and maintenance of weapon systems, and improved logistics infrastructure elements.

Weapon System Items that can be used directly by the armed forces to carry out combat missions and that cost more than \$100,000 or for which the eventual total procurement cost is more than \$10,000,000. Such term does not include commercial items sold in substantial quantities to the general public. (See Title 10, United States Code, Section 2403, "Major weapon systems: contractor guarantees.")

Weighted Guidelines A government technique for developing fee and profit negotiation objectives, within percentage ranges established by regulation.

Wholesale Price Index A composite index of wholesale prices of a representative group of commodities.

Wickets A procedure/process of reviews, decisions and sign-offs through which a program or effort must proceed.

Win-Win A philosophy whereby all parties in a defense acquisition scenario come away gaining some or most of what they wanted (i.e., everyone "wins" something, even though it may not be 100% of goal), the ideal outcome.

Withdrawal The action taken by a service to remove its resources of personnel and funds from before the program is completed.

Wooden Round A round (shell, missile, etc.) requiring no maintenance or preparation time prior to loading for firing.

Work Aid A device such as a pattern, template, or sketch used to enhance a worker's ability to learn and perform a task efficiently.

Workaround A procedure developed for taking into account shortcomings or other problems in a program and devising workable solutions to get around the problems.

Work Breakdown Structure (WBS) An organized method to break down a project into logical subdivisions or subprojects at lower and lower levels of details. It is very useful in organizing a project.

Work Cycle A pattern of motions and/or processes that is repeated with negligible variation each time an operation is performed.

Workload (1) The amount of work in terms of predetermined work units which organizations or individuals perform or are responsible for performing. (2) A quantitative expression of human tasks, usually identified as standard hours of work or a corresponding number of units.

Work Measurement (Labor Standards) A method to determine how long it should take an employee to perform his/her work and to identify opportunities for improvement.

Work Package Budgets Resources which are formally assigned by the contractor to accomplish a work package expressed in dollars, hours, standards, or other definitive units.

Work Packages Detailed short-span jobs, or material items, identified by the contractor for accomplishing work required to complete the contract. Characteristics of the work package are: (a) it represents units of work at levels where work is performed; (b) it is clearly distinguished from all other work packages; (c) it is assignable to a single organizational element; (d) it has scheduled start and completion dates and, as applicable, interim milestones, all of which are representative of physical accomplishment.

Work Performed Includes completed work packages and the completed portion of work packages begun and not yet completed.

Work Sampling Study A statistical sampling technique employed to determine the proportion of delays or other classifications of activity present in the total work cycle.

Worst Case Scenario In planning, to examine the worst possible environment or outcome and evaluate results around which to formulate next step.

Worth The measure of value received for the resources expended. It is directly proportional to the cost to a foe (damage, neutralization, deception, and/or counteraction) and indirectly proportional to the system cost.

Worth/Utility The value of the Measure of Effectiveness (MOE) level to attain the system's objectives. For example, if the MOEs are time to overrun a defensive line and the number of friendly casualties, what are time and casualties worth with respect to accomplishing the mission? Utilities must be obtained from the decision maker.

APPENDIX C

INTERNATIONAL TERMS

This appendix contains most acronyms, abbreviations, and terms unique to the international armaments cooperation community. Appendix B contains international terms commonly used in both U.S. and international acquisition programs. The complete source list for this appendix is set forth below in "Sources of Definitions." The content of the definitions derived from the sources has been maintained to a very significant extent in both form and substance.

Experience in international armaments cooperation reveals that acquisition matters play an essential part of the Memorandum of Understanding (MOU) preparation and negotiation process, particularly when the United States (U.S.) is going to be the Contracting Nation in a cooperative project. During the negotiation process our allies frequently ask us for explanations and definitions of the acquisition language we use. To facilitate our explanation to our allies, achieve consistency in our explanations and definitions, and perhaps to better understand the meaning of these terms ourselves, they have been included within this international appendix.

While this appendix was prepared for use by the students in the Advanced International Management Workshop (AIMW) conducted by DSMC, it is useful to broader groups working in international defense cooperation matters, including congressional staffs, Pentagon and other headquarters staffs, program managers of international projects, and defense contractors participating in international programs. It was prepared for educational purposes of the Defense Systems Management College by Mr. Jerry A. Cooke, President, Jerry A. Cooke & Associates.

SOURCES OF DEFINITIONS

The sources for the definitions contained in this appendix and their codes are as follows:

<u>Code</u>	<u>Source</u>
(1)	"NATO Agreement on the Communication of Technical Information for Defense Purposes," Brussels, 10 October 1970
(2)	NATO Conference of National Armaments Directors (CNAD) document entitled "Intellectual Property Principles and Guidelines in the Field of Licensing and Co-Production for the Purpose of Armaments Standardization or Interoperability," AC/259-D/700 (Final), 16 August 1979
(3)	Handbook on the Phased Armaments Programming System (PAPS), NATO Allied Administrative Publication, AAP-20, February 1989
(4)	Navy International Programs Office, MOU Generator "Terms and Abbreviations," (draft 10 SEPT 91)

- (5) Memorandum of Understanding Between the Governments of Canada, the Republic of France, the Federal Republic of Germany, the Republic of Italy, the Kingdom of Spain, the United Kingdom of Great Britain and Northern Ireland and the United States of America concerning General Arrangements for the Collaborative Development and Production of a Modular Stand-off Weapon System (MSOW), 24 July 1987
- (6) Memorandum of Understanding Between the Minister of National Defense of Canada, the Minister of Defense of the Republic of France, the Federal Minister of Defense of the Federal Republic of Germany, the Minister of Defense of the Republic of Italy, the Minister of Defense of the Kingdom of the Netherlands, the Minister of Defense of the Kingdom of Spain, the Minister of National Defense of the Republic of Turkey, the Secretary of State for Defense of the Government of the United Kingdom of Great Britain and Northern Ireland and the Secretary of Defense of the United States of America concerning a Cooperative Program for a 155mm Autonomous Precision Guided Munition (155 APM), 14 April 1987
- (7) Memorandum of Understanding Between the Minister of National Defense of Canada, the Federal Minister of Defense of the Federal Republic of Germany, the Minister of Defense of the Kingdom of the Netherlands, the Minister of Defense of the Kingdom of Spain, the Secretary of State for Defense of the United Kingdom of Great Britain and Northern Ireland and the Secretary of Defense of the United States of America concerning the Concept Exploration Phase of a NATO Anti-Air Warfare System (NAAWS), 20 August 1987
- (8) NATO Glossary of Terms and Definitions (English and French), Allied Administrative Publication (AAP-6(P)), 4 January 1983
- (9) NATO Conference of National Armaments Directors document entitled "Policy, Guidance, Organization and Method of Work for the NNAG and its Subordinate Groups," AC/259-D/513(2nd revise), 31 August 1981

For a comprehensive collection of standardized terms of military significance and their definitions, see the NATO Glossary of Terms and Definitions (English and French), NATO Allied Administrative Publication AAP-6(P), 4 January 1983, available from the Defense Technical Information Center, Accession Number AD-B072054.

NATO has also published a comprehensive glossary of abbreviations entitled Glossary of Abbreviations Used in NATO Documents, NATO Allied Administrative Publication AAP-15(C), January 1986, available from the Defense Technical Information Center, Accession Number AD-B119296. This publication is heavily weighted toward terms of military significance.

A

Acquisition Engineering Agent (4) An activity designated by the Project Manager to provide engineering and technical support to the Project office for the engineering, test and evaluation, maintenance, and logistics requirements incident to development and initial production contracts for new systems.

Acquisition/Procurement (3) A process of budgeting, funding and contracting leading to the purchase of a system, sub-system or equipment.

Advanced Development System (4) Model fabricated during the Demonstration and Validation (D&V) phase. It enables the development of experimental hardware and software for technical or operational test and evaluation prior to determination of whether these items should be designed or engineered.

Algorithms (4) Mathematical equations and their implementation in computer software that describes a process.

Allied Staff (2) A staff or headquarters composed of two or more allied nations working together.

Authentication (2) 1. Evidence by proper signature or seal that a document is genuine and official. 2. A security measure designed to protect a communication system against fraudulent transmissions.

Authentic Document (2) A document bearing a signature or seal attesting that it is genuine and official. If it is an enemy document, it may have been prepared for purposes of deception and the accuracy of such document, even though authenticated, must be confirmed by other information, e.g., conditions of capture.

Automatic Data Processing (2) 1. Data processing largely performed by automatic means. 2. That branch of science and technology concerned with methods and techniques relating to data processing largely performed by automatic means.

B

Background Information (2) "Background information" means information which is necessary to or useful in achieving the objectives of a specific contract, project, programme or agreement, but which was generated prior to or outside the scope of such arrangements.

Background Information (5) Any information not generated or conceived under the Programme which is necessary to or useful in the Programme.

Background Intellectual Property (6) "Background Intellectual Property" is Intellectual Property created outside the program, and necessary for performance of work under the program.

Background Technical Information (4) Technical information not generated in the performance of the Project.

Bilateral Infrastructure (8) Infrastructure which concerns only two NATO members and is financed by mutual agreement between them (e.g., facilities required for the use of forces of one NATO member in the territory of another). *See also infrastructure.*

Briefing (8) The act of giving in advance specific instructions or information.

Business Plan (4) The planning document which establishes the framework for the execution of the program, including the technical, contractual, financial, management, and other significant considerations that influence specific phases.

C

Ceiling Cost (7) The upper limit of funds the Participants are prepared to make available for the common funded costs of the CE Phase.

Civil Affair (8) Any question relating to relations in wartime between the commander of an armed force and the civilian populations and governments in areas where the force is employed, and which is settled on the basis of a mutual agreement, official or otherwise.

Civil Defense (8) Mobilization, organization, and direction of the civil population, designed to minimize by passive measures the effects of enemy action against all aspects of civil life.

Civil Disturbance (8) Group acts of violence and disorder prejudicial to public law and order.

Classified Matter (8) Official information or matter in any form or of any nature which requires protection in the interests of national security. *See also unclassified matter.*

Collocation (8) The physical placement of two or more detachments, units, organizations, or facilities at a specifically defined location.

Combined Common User Item (8) An item of an interchangeable nature which is in common use by two or more nations.

Command, Control and Information System (8) An integrated system comprised of doctrine, procedures, organizational structure, personnel, equipment, facilities and communications which provides authorities at all levels with timely and adequate data to plan, direct and control their activities.

Competition Sensitive Information (6) "Competition Sensitive Information" is information which is labeled as such by consortia or government which, in the opinion of a consortium or government, could jeopardize or compromise a consortium's competitive position if said information were disclosed to another current or potential contractor.

Compromised (8) A term applied to classified matter, knowledge of which has, in whole or in part, passed to an unauthorized person or persons, or which has been subject to risk of such passing.

Concept Exploration Phase (7) The phase of the NAAWS project covered by this MOU including management of contractor and in-house studies, evaluation of proposed contractor approaches and planning and preparation leading up to the next phase. The CE Phase ceases at the time of commencement of the next phase or as so agreed by the Participants.

Consortium (4) (7) A group of contractors acting in a prime contractor/subcontractor relationship, joint venture, or other cooperative relationship.

Consortium (Consortia) (6) "Consortium" means a group of contractors acting in a prime contractor/subcontractor relationship, joint venture or other cooperative relationship, as the case may be, having offices, plants, or other facilities, wherever located, which is awarded a contract, subcontract, or similar instrument, for any part, phase, or aspect of the design, development, test, manufacture, production, operation, or maintenance of a APGM component or components under this program. Facilities may be privately or government owned.

Contracting Agency (4) (7) That entity within the government organization of a Participant tasked to draw up, place and administer contracts.

Controlled Information (4) Information to which access or distribution limitations have been applied in accordance with this MOU or national laws and regulations, and which is released by one Participant to another subject under the condition that it be treated "IN CONFIDENCE."

Conventional Weapon (8) A weapon which is neither nuclear, biological nor chemical.

Cost Ceiling (4) The maximum amount to which the Cost Target may move without the prior approval of the Participants.

Cost Target (4) The accepted planning figure of the total common funded cost of the Project (phase).

D

Date-Time Group (8) A group of six digits with a zone time suffix and the standardized abbreviation for the month. The first pair of digits represents the day; the second pair the hour; the third pair the minutes. After the month may be added the last two digits of the year.

Declassify (8) To cancel the security classification of an item of classified matter. *See also downgrade.*

Defense Purposes (4) Manufacture or other use in any part of the world by or for the armed forces of any Participant, including the furnishing on a grant basis to non-Participants and international organizations for their mutual defense.

Defense Purposes (6) "Defense Purposes" means the use by and within the national armed forces of an individual Participant and use in connection with procurement to such end.

Defense Purposes (7) Manufacture and use in any part of the world by or for the armed forces of a Participant, including the furnishing of assistance by a Participant on a grant-aid basis to Non-Participants and international organizations for their mutual defense.

Defense Purposes [for] (1) "For defense purposes" means for strengthening the individual or collective defense capabilities of the Parties to the North Atlantic Treaty either under national, bilateral or multilateral programmes, or in the implementation of NATO research, development, production or logistics projects.

Defense Sales (4) Sales, leases, exchanges, or other transfers, for value, by a Participant or its contractors to a non-Participant for Defense Purposes of the non-Participant.

Delegation of Authority (8) The action by which a commander assigns part of his authority commensurate with the assigned task to a subordinate commander. While ultimate responsibility cannot be relinquished, delegation of authority carries with it the imposition of a measure of responsibility. The extent of the authority delegated must be clearly stated.

Design and Development (3) The phase of an equipment programme which calls for design engineering work aimed at full validation of the technical approach and ensures complete system integration to the point where production contract action can be taken.

Designated Security Authority (4) The security office approved by national authorities to be responsible for the security aspects of a cooperative project.

Disclosure in Confidence (1) "Disclosure in confidence" means disclosure of technical information to a limited number of persons who undertake not to disclose the information further except under the conditions specified by the Government or Organization of Origin.

Downgrade (8) To reduce the security classification of a classified document or an item of classified matter or material. *See also declassify.*

E

Establishment (8) 1. An installation, together with its personnel and equipment, organized as an operating entity. 2. The table setting out the authorized numbers of men and major equipment in a unit/formation; sometimes called "table of organization" or "table of Organization and equipment."

F

First Actually Reduced to Practice (4) The first demonstration, sufficient to establish to one skilled in the art to which the invention pertains, of the operability of an invention for its intended purpose in some physical form.

Foreground Information (2) "Foreground information" means information which is generated in the course of a specific contract, project, programme or agreement or the like by the parties or their contractors.

Foreground Information (5) Any information first generated or conceived under the Programme which is funded under the Programme or made available to the Programme without cost.

Foreground Intellectual Property (6) "Foreground Intellectual Property" is Intellectual Property created under the program.

Foreground Technical Information (4) Technical information generated in the performance of the Project.

Fully Compliant System (7) A NAAWS fully compliant and consistent with the requirements of the Staff Target with a projected Initial Operational Capability (IOC) in CY 1998.

G

Government Furnished Information (4) Information owned or acquired by a Participant and furnished to the contractor(s) for use in the Project.

Government or Organization of Origin (1) "Government or Organization of Origin" means the Government Party to this Agreement or NATO Organization first communicating technical information as being proprietary.

Government Program of Work (4) Document listing work to be allocated by the Project Manager through government laboratories and government organizations in support of Project objectives.

Government Program of Work (7) Document listing work to be allocated by the NPO through government laboratories and government organizations in support of project objectives.

H

Harmonization The process and/or results of differences or inconsistencies to bring significant features into agreement.

Host Nation (5) The Participant who acts on behalf of all Participants by providing the contracting services and associated services called for under this MOU and its supplements.

Host Nation (7) The Participant in whose territory the NPO is located and which provides the contracting and associated services required under this MOU.

Host Nation Assistance (8) *See host nation support.*

Host Nation Support (8) Civil and military assistance rendered in peace and war by a host nation to allied forces and NATO organizations which are located on or in transit through the host nation's territory. The basis of such assistance is commitments arising from the NATO Alliance or from bilateral or multilateral agreements concluded between the host nation, NATO organizations and (the) nation(s) having forces operating on the host nation's territory.

I

Information (5) Any information, knowledge or data, regardless of form or characteristics, including: that of a scientific or technical nature, threat, experimental and test data, designs, improvements, photographs, reports, manuals, specifications, processes, techniques, inventions, technical writings, sound recordings, pictorial reproductions, drawings and other graphical representations; whether on magnetic tape, in computer memory, or in whatever form presented, and whether or not subject to copyright or other legal protection.

In-Service (3) The operational utilization of equipment by nations.

Integrated Logistics Plan (4) A plan that (1) integrates supportability considerations into system design, (2) ensures that all appropriate logistics planning items are addressed to support system testing and IOC, (3) develops support requirements related to system readiness objectives, and (4) plans procurements of required logistics support elements so as to obtain the most economical cost.

Integrated Staff (8) A staff which one officer only is appointed to each post on the establishment of the headquarters, irrespective of nationality and Service. *See also combined staff; joint staff; parallel staff.*

Intellectual Property (2) "Intellectual Property," whether background or foreground, includes inventions, trademarks, patented or not, trademarks, industrial designs, copyrights, and technical information including software, data designs, technical know-how, manufacturing information and know-how, techniques, technical data packages, manufacturing data packages, and trade secrets.

Intellectual Property (6) "Intellectual Property," means any product of the human mind or computer which is capable of being protected under law. This includes, but is not limited to, patents, trademarks, trade secrets and copyrights.

Intellectual Property Rights (2) The rights to use or have used IP are termed Intellectual Property Rights (IPR) and include rights derived from patents, trademarks, copyrights, industrial designs, contract clauses, disclosure in confidence techniques or other means of control of IP.

Interim System (7) A system of less than full capability delivered to meet earlier installation dates which is capable of improvement to a Fully Compliant System.

International Civilian Personnel with NATO Status (8) Civilian persons assigned or appointed to authorized NATO international civilian posts.

International Job Description (8) A delineation of the specific duties, responsibilities and qualifications pertaining to a specific international post.

International Manpower Ceiling (8) The total number of international posts, military and civilian, which has been authorized for each international organization.

International Personnel (8) Military and civilian persons assigned or appointed to authorized international posts.

International Post (8) A post, position, job or billet, authorized in a peacetime establishment or emergency establishment which carries a specific international job description, whose incumbent is responsible to international authority.

International Project Office (5) The office responsible to the Management Group for the day-to-day management of the Programme. *See also Joint Project Office.*

Invention (4) Any device or process formulated, made (conceived or first actually reduced to practice) in the course of work performed under a Project.

J

Jointly Sponsored Work (7) That work being paid for on a shared basis by the Participants as part of the common funded cost of the CE Phase including at least work performed under CE Phase study contracts with industry and technical services allocated to a Participant under the Government Program of Work.

Joint Project Office (4) The office established to manage the Joint Project.

Joint Staff (8) A staff formed of two or more of the services of the same country. *See also combined staff; integrated staff; parallel staff.*

L

Legend (8) An explanation of symbols used on a map, chart, sketch, etc., commonly printed in tabular form at the side of the map, etc.

Liaison (8) That contact or intercommunication maintained between elements of military forces to ensure mutual understanding and unity of purpose and action.

Logistic Assistance (8) A generic term used to denote types of assistance between and within military commands both in peace and war. *See also integrated logistic support; mutual aid; reallocation of resources.*

M

Manpower Management (8) The means of manpower control to ensure the most efficient and economical use of available manpower.

Military Requirement (8) An established need justifying the timely allocation of resources to achieve a capability to accomplish approved military objectives, missions, or tasks.

Mission Analysis (3) (NATO) A process to determine the operational capabilities of military forces that are required to carry out assigned missions, roles and tasks in the face of the existing and/or postulated threat with an acceptable degree of risk. Having ascertained the quality and quantity of the military forces required, a comparative assessment is made between those available and those required in order to identify the qualitative and quantitative deficiencies which may be related to the element of risk involved.

Mutual Aid (8) Arrangements made at government level between one nation and one or more other nations to assist each other. *See also integrated logistic support; logistic assistance, reallocation of resources.*

Mutual Support (8) That support which units render each other against an enemy, because of their assigned tasks, their position relative to each other and to the enemy, and their inherent capabilities. *See also cross-servicing; support.*

N

National Contracting Representative (6) The "National Contracting Representative" is the point of contact for each Participant who assists the Contracting Officer in the administration of contracts placed in that Participant's country.

National Disengagement Intention (3) A statement of a decision to withdraw equipment from operational utilization, including forecast dates, quantities and other relevant information such as age, condition of equipment and availability of spare parts.

National Infrastructure (8) Infrastructure provided and financed by a NATO member in its own territory solely for its own forces (including those forces assigned to or designated for NATO). *See also infrastructure.*

NATO Design and Development Objective (3) An outline statement which covers the evaluation of design proposals in relation to the user requirement, the statement of agreed characteristics, and the design and technical requirement specifications. It includes, as far as possible, demonstrated achievement of stated requirements and objectives for the future, aimed at ensuring full system integration.

NATO Design and Development Objective (5) An outline statement which covers the evaluation of the MSOW design proposals in relation to the user requirement, the statement of agreed characteristics, and the design and technical requirement specifications of MSOW. It includes, as far as possible, demonstrated achievement of stated requirements and objectives for the future, aimed at ensuring full system integration.

NATO In-Service Goals (3) A statement of general utilization intentions for equipment including reference to national or cooperative logistic and training arrangements.

NATO Organization (1) "NATO Organization" means the North Atlantic Council and any subsidiary civilian or military body, including International Military Headquarters, to which apply the provisions of either the Agreement on the Status of the North Atlantic Treaty Organization, National Representatives and International Staff signed in Ottawa on 20th September, 1951, or the Protocol on the Status of International Military Headquarters set up pursuant to the North Atlantic Treaty, signed in Paris on 28th August, 1952.

NATO Production Objective (3) An outline statement of the manufacturing process, manpower and facilities required for production of the equipment, including an outline production programme based on cost plans, quality control requirements, and the stated production specifications.

NATO Production Objective (5) An outline statement of the manufacturing process, manpower, and facilities required for production of MSOW and associated support equipment, including an outline of the MSOW production programme based on cost plans, quality control requirements, and the stated production specifications for each MSOW variant.

NATO Project (3) A formal status conferred on a project which conforms with agreed general principles described at paragraph 17 of the "CNAD Charter," and which is subject to the following conditions:

- I. the participation of two or more NATO countries in the cooperative project;
- II. an engagement to report progress annually to the Conference, until the equipment has been produced or the project otherwise terminated;
- III. the incorporation of provisions for the admission of other interested NATO countries, subject to the acceptance of reasonable and equitable conditions to be provided by the participating countries.

NATO Project Steering Committee (3) A body composed of national representatives, established by an inter-governmental agreement between two or more NATO nations in order to coordinate, execute and supervise an equipment procurement programme which has qualified as a NATO project.

NATO Staff Requirement A detailed statement of the required design parameters and operational performance of the equipment or weapon system(s). This document represents the specification of the system upon which project definition is based.

NATO Staff Requirement (3) A detailed statement of the required design parameters and operational performance of the equipment or weapon system(s).

NATO Staff Target (3) A broad outline of the function and desired performance of new equipment or weapons system(s), before the feasibility or method of meeting the requirement, or other implications have been fully assessed. Based upon the findings of any prefeasibility study(ies), the NATO Staff Target lists, in greater detail, operational characteristics and certain technical specifications which are desired and which have been shown to be broadly feasible. It may also contain broad cost parameters when required. This document is used as a basis for the request for proposals from industry for feasibility study or candidate system solutions.

Non-Participant (4) Any nation which is not a signatory to this MOU.

Non-Participant (7) Any nation which is not a signatory to the CE Phase MOU.

O

Outline NATO Staff Target (3) A very broad outline of the function and desired performances of a new weapon or equipment to satisfy a mission need, before the possibilities of achievement and the financial aspects have been examined.

P

Parallel Staff (8) A staff in which an officer from each nation, or service, working in parallel is appointed to each post. *See also combined staff; integrated staff; joint staff.*

Participant (4) A signatory to this MOU.

Participant (6) A "Participant" is a signatory of this MOU and/or the current Supplement. One ceases to be a Participant upon termination or declining to sign the current MOU supplement. The term "Participant" as used in the MOU will include any additional NATO nation which is admitted to participation subsequent to the signing of this MOU.

Participant (7) Any nation which is a signatory to the CE Phase of the MOU.

Participating Fee (6) "Participating Fee" is part of the minimum cost share for each phase which a Participant contributes to be part of the APGM program.

Patent (4) Statutory protection for the exclusive right to make, use, or sell an invention, design or utility model. Patents cover registered designs, utility models, and design patents.

Patent Application (4) Application for statutory protection, such as a patent.

Phase (5) A phase of the Programme as described in Section 2.

Physical Security (8) That part of security concerned with physical measures designed to safeguard personnel, to prevent unauthorized access to equipment, installations, material and documents, and to safeguard them against espionage, sabotage, damage, and theft. *See also protective security, security.*

Plan of Action and Milestones (4) The document which sets out the work to be accomplished during a Project (phase) and includes the associated schedules for the initiation, conduct, and completion of such work.

Post Design Services (5) This activity will start when drawings are sealed and the design is frozen and will include: 1. Defect investigation and design effort necessary for equipment modifications. 2. Maintenance of records such as drawings, master records indices and associated technical publications.

Program Plan (4) Developed by the Project Manager, it provides a general description of the program and forms the basis for the business strategy and other program documentation.

Programme (5) Activities to be carried out by or on behalf of the Participants under this MOU and its supplements.

Programme Contract (5) Contract or subcontract that is awarded for the Programme in accordance with this MOU and its supplements.

Programme Contractor (5) Contractor or subcontractor who is awarded a Programme Contract.

Programme Information (5) Any Background Information available for the Programme and/or Foreground Information.

Programme Property (5) Any physical assets, other than information, funded under the Programme, irrespective of ownership, including: special jigs, tooling and factory test equipment.

Project Equipment (4) Any material, equipment, or end item, or subsystem, component, special tooling or test equipment developed under this Joint Project.

Project Information (4) Information provided, generated or used under this Joint Project.

Proprietary Technical Information (1) "Proprietary technical information" means information which is technical in character, sufficiently explicit for use and has utility in industry, and which is known only to the owner and persons in privity with him and therefore not available to the public. Proprietary technical information may include, for example, inventions, drawings, know-how and data.

Protective Security (8) The organized system of defensive measures instituted and maintained at all levels of command with the aim of achieving and maintaining security. *See also physical security; security.*

Public Information (8) Information which is released or published for the primary purpose of keeping the public fully informed, thereby gaining their understanding and support.

Q

Qualifying Country (2)

Any country defined as a defense cooperation country, an FMS/offset arrangement country, or a participating country.

Qualitative Requirements (1)

"Qualitative requirements" pertain to military operational needs as differentiated from research and development objectives or goals. They refer to the essential characteristics of proposed defense equipment projected against a specific time period to counter an estimated enemy threat or to fill other operational needs.

R

Reallocation of Resources (8) The provision of logistic resources by the military forces of one nation from those deemed "made available" under the terms incorporated in appropriate NATO documents, to the military forces of another nation or nations as directed by the appropriate military authority. *See also integrated logistic support; logistic assistance; mutual aid.*

Recipient (1) "Recipient" means any Government Party to this Agreement or any NATO Organization receiving technical information communicated as proprietary either directly by the Government or Organization of Origin or through another Recipient.

Reference Currency (Principal Currency) (5) A single currency used to establish the cost basis of the Programme and/or to evaluate Work Shares. It generates parity values or reference values for all other participating currencies when related to fixed exchange rates. For this Programme the U.S. dollar is the Reference Currency.

S

Security (8) The condition achieved when designated information, material, personnel, activities and installations are protected against espionage, sabotage, subversion and terrorism, as well as against loss or unauthorized disclosure. The term is also applied to those measures necessary to achieve this condition and to the organizations responsible for those measures. *See also physical security; protective security.*

Security Certification (8) A certification issued by competent national authority to indicate that a person has been investigated and is eligible for access to classified matter to the extent stated in the certification.

Security Classification (8) A category or grade assigned to defense information or material to indicate the degree of danger to NATO/national security that would result from its unauthorized disclosure and the standard of protection required to guard against unauthorized disclosure.

Security Clearance (8) An administrative determination by competent national authority that an individual is eligible, from a security stand-point, for access to classified information.

Senior Official (4) A flag officer, or equivalent, appointed by a Participant to represent that Participant on the Steering Committee.

Silence Procedure (9) A secretarial method of obtaining approval of an action or a document. The Group concerned agrees that "if no comments or statements to the contrary are received by ... (date)... the approval of the nations is deemed to have been received." National representatives within the Group are responsible that national approval is sought at the appropriate level for this action.

Staff Requirement (4) The requirements document for the Project (system) which includes the mission need, required operational capabilities, and overall system characteristics.

Staff Target (7) The performance requirement document for the NAAWS Project.

Staff Target Document (4) The performance requirement for the Project.

Statement of Work (4) Description in the Request for Proposal of all work to be undertaken by contractors.

Statement of Work (7) Description in the RFP of all work to be undertaken by Contractors.

Supplement (8) A supplement is a separate publication related to a basic publication and prepared for purposes or promulgating additional information or summaries, and may include extracts from the basic publication.

Support (8) The action of a force, or portion thereof, which aids, protects, complements, or sustains any other force.

Systems Design (8) The preparation of an assembly of methods, procedures, or techniques united by regulated interaction to form an organized whole.

System Specification (4) A document which states technical and mission requirements for the Project (system), allocates those requirements to functional areas, and defines the necessary interfaces.

T

Table of Organization (8) *See establishment.*

Tactical Computer Data Base (4) A collection of data in a form capable of being processed and operated on by a tactical computer.

Tactical Computer Program (4) A series of instructions or statements in a form acceptable to a tactical computer, designed to cause the computer to execute an operation or operations.

Tactical Computer Software (4) Defense articles consisting of tactical computer programs and computer data bases, but not including technical information.

Tactical Computer Software Documentation (4) Technical information, including computer listings and printouts, in human-readable form which: (a) documents the design or details of tactical computer software, (b) explains the capabilities of the software, or (c) provides operating instructions for using the software to obtain the desired results from a tactical computer.

Target Cost (7) The accepted planning figure of the total common funded cost of the CE Phase.

Technical Assistance Agreement (4) An agreement approved by the U.S. State Department, between a U.S. company and a non-U.S. entity for the performance of defense-related services or the furnishing of technical data outside the U.S. by the U.S. company.

Technical Development Plan (4) A document which provides a plan for overall management by the Joint Project Office (JPO) of all the government technical activities which must be performed in support of the Project in accordance with the POA&M.

Technical Direction Agent (4) An organization which assists the JPO in performing system engineering, developing performance specifications, and performs or oversees other organizations performing technical tasks related to the achievement of Project objectives.

Technical Direction Agent (7) That organization which assists the NPO in the establishment of initial program concepts, performs system engineering, develops performance specifications and performs or oversees other organizations performing technical tasks related to the achievement of project objectives.

Technical Information (4) Recorded information of a scientific or technical nature regardless of the form or method of the recording. This includes project-related computer software, and inventions whether or not patentable, or otherwise statutorily protectable. Technical information does not include tactical computer software, but does include tactical computer software documentation.

Technical Information (6) "Technical Information" means that recorded or documented information of a scientific or technical nature, regardless of format or other documentary characteristics, including experimental and test data, specifications, designs, processes, inventions or discoveries whether or not patentable, technical writings, sound recordings, pictorial reproductions, drawings or other graphic representations, magnetic tape, computer software documentation, computer memory printouts or data retained in computer memory, and works of a technical nature, and any other relevant technical data in whatever form presented, whether or not copyrighted.

Technical Information (7) Recorded information, regardless of the form or method of the recording of a scientific or technical nature. This includes computer software, semiconductor mask works and topography, and inventions whether or not patentable or otherwise statutorily protectable.

Technical Services (7) Services performed by, or on behalf of a Participant as part of the GPW allocated to that Participant.

Technical Specification (8) A detailed description of technical requirements stated in terms suitable to form the basis for the actual design development and production processes of an item having the qualities specified in the operational characteristics.

U

Unanimous Decision (5) A decision to which no voting member objects. Abstention does not constitute objection. A decision cannot be unanimous unless each voting member indicates whether he has voted yes or no or abstained.

Unauthorized Disclosure (1) "Unauthorized disclosure" refers to any communication of proprietary technical information which is not in accordance with the conditions under which it was communicated to the Recipient.

Unauthorized Use (1) "Unauthorized use" refers to any use of proprietary technical information made without prior authorization or not in accordance with the conditions under which it was communicated to a Recipient.

Unclassified Matter (8) Official matter which does not require the application of security safeguards but the disclosure of which may be subject to control for other reasons. *See also classified matter.*

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W

Weapon System Life Cycle (3) The period divided into phases, ranging from the first considerations on the need for a weapon system through the development and in-service stages down to phasing-out and disposal.

Weapon System Technical Concept (3) A description in broad terms of a possible technical solution to an established requirement.

Work Share (6) "Work Share" is that portion of the contract work which a Participant's industrial concerns receive under the APM contracts. For calculating the contract work shares, only contracts awarded at the level of prime contractor, his subcontractors (first tier subcontractors) and the latter's subcontractors (second tier subcontractors) will be considered. Subcontractor tiers below second tier subcontractors will not be considered in the assessment of work shares. Subcontractors that are organized as a purely legal entity comprised of more than one firm will not be considered as a subcontracting level.

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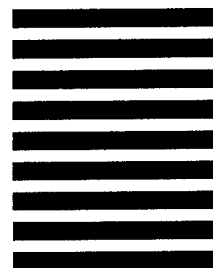
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